

SEAFCO

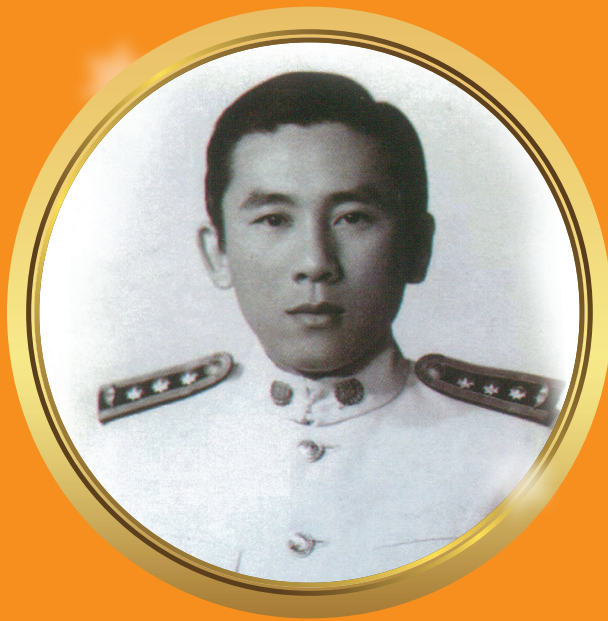


ANNUAL REPORT

SEAFCO 2014

SEAFCO PUBLIC COMPANY LIMITED





MR. SUPOT THASNANIPAN
FOUNDER

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SEAFECO





MESSAGE

FROM THE BOARD CHAIRMAN

In 2014, we achieved greater success than we expected. Our revenue and profits were much higher than those in 2013, and we hope to perform better in the future.

We expanded our operation into Myanmar in 2013. Since Seafco (Myanmar) has been established, its business has been running extremely well due to our performance and reputation. In order to reflect market demand in Myanmar, in 2015, we plan to increase our revenue and profits.

We will continue to make profit as a result of cooperation and support from all parties. As a Chairman, I would like to express my appreciation to all the kind-hearted clients, hardworking employees, supporting shareholders, financial institutions and creditors for their trust in our company.

Assoc.Prof.Dr.Somjai Phagaphasvivat
Board Chairman

MESSAGE

FROM THE CHAIRMAN OF THE EXECUTIVE BOARD AND PRESIDENT

I consider 2014 is one of the best years for us. We have completed projects value more than 1,800 million baht and made a profit of 210 Million Baht, which is 45% higher than that of 2013. At the end of 2014, we managed to deliver a backlog of 1,040 million Baht, which is considered high for deep foundation business. I am quite confident that 2015 will be a good year for our local and overseas business. I believe that our affiliate Seafco (Myanmar) Co., Ltd. can undertake project value up to 200 million Baht in Myanmar.

In 2015, we will purchase four piling machines to increase our revenue approximately 15% higher than in 2014.

I would like to thank all of our staff, the management, shareholders, customers and suppliers for their continuous support.

Mr. Narong Thasnanipan
Chairman of the Executive Board and President



FINANCIAL HIGHLIGHTS

		2012	2013	2014
Operating results	Million Baht			
Total Revenue		1,542	1,338	1,903
Income from hire work		1,523	1,307	1,887
Gross Profit		265	249	389
Profit from continuing operations		112	139	210
Total comprehensive income for the year		112	142	210
financial position	Million Baht			
Total assets		1,562	1,485	1,725
Total liabilities		896	710	808
Shareholders' Equity		665	775	917
Financial Ratio				
Debt Ratio	Time	1.35	0.92	0.88
Gross Margin	(%)	17	19	21
Net (Loss)profit margin	(%)	7	10	11
Return on Assets	(%)	11	11	15
Return on Equity	(%)	17	18	23
Earnings per share	Baht	0.39	0.51	0.72
Book value per share	Baht	3.10	2.88	3.15

GENERAL INFORMATION

GENERAL INFORMATION

Company Name : Seafco Public Company Limited
 Head Office Address : 144 Prayasuren Rd.,
 Bangchan, Khlong Sam Wah,
 Bangkok 10510
 Company Registration
 Number : 010 75470 00257
 Telephone : (662) 919-0090-7
 Facimile : (662) 919-0098, 518-3088
 Company Home Page: www.seafco.co.th
 E-Mail Address : seafco@seafco.co.th

SECURITY REGISTER

Company Name : Thailand Securities Depository
 Company Limited
 Head Office Address : Floor 7, Securities Exchange of Thailand
 Building 62, Ratchadapisek Road,
 longtoey Sub-District, Klongtoey District,
 Bangkok 10110
 Telephone : (662) 229-2870-80
 Facimile : (662) 654-5642, 654-5645

EXTERNAL AUDITOR

Name of Auditor : Mrs. Suvimol Krittayakiern
 Certified Public Accountant 2982
 Audit Firm : D I A INTERNATIONAL AUDIT
 COMPANY LIMITED.
 Head Office Address : 316/32 Sukhumvit Soi 22,
 Sukhumvit Road,
 Klongtoey Sub-District,
 Klongtoey District
 Telephone : (662) 259-5300
 Facimile : (662) 260-1553



BOARD

BOARD OF DIRECTORS



Assoc Prof Dr. Somjai Phagaphavivat
Chairman



Mr. Narong Thasnanipan
Director



Mr. Tachapong Pravesvararat
Director



Mr. Padej Rujikhajorndej
Director



Mr. Kamol Singtogaw
Director



Mr. Zaw Zaw Aye
Director



Miss Nuttawan Thasnanipan
Director



Mr. Siwa Sangmanee
Director



Mr. Somkuan Watakeekul
Director



Mr. Somkual Musig-In
Director

BOARD OF EXECUTIVE OFFICER



Mr. Narong Thasnanipan
President & CEO



Mr. Zaw Zaw Aye
Executive Vice President
: Operation Group 2



Miss. Nutthawan Thasnanipan
Executive Vice President
: Administration Group



Mr. Kamol Singtogaw
Executive Vice President
: Marketing and Customer Relationship
Department (Domestic)



Mr. Padej Rujikhajorndej
Executive Vice President
: Bored Piles and Diaphragm Wall and
Other geotechnical engineering



Mr. Kamol Youyuenpathana
Vice President
: Civil work Department



Mr. Anek Srituptim
Vice President
: Accounting and Finance Department
and Secretary



Mr. Somsak Thawatchpongthon
Vice President
: Procurement Department



Mr. Tawat Phutphon
Vice President
: Plant Department

VISION

TO BE THE REPUTABLE LEADER IN
CONSTRUCTION INDUSTRY OF ASEAN

MISSION

TO PROVIDE CLIENTS WITH QUALITY
SERVICES BY COMPETENT MANAGEMENT
SAFETY AND ENVIRONMENT

STRATEGY

The Create sustainable and stable growth

1. Provide bore piling and Diaphragm wall service as well as construction work with fair rewards both nationally and internationally.
2. Become a business partner with real estate entrepreneurs and major contractors.
3. Manage the project by holding on to effective cost management principle by considering environmental and safety condition, delivering quality work on time.
4. Search for new market in AEC.
5. Develop technology and knowledge to be up-to-date and competitive and not emphasize on price competition.
6. Improve human resources capacity and management structure to increase competitiveness.
7. Prepare machinery to meet various demands and for working effectiveness.

Executive Summary

SEAFKO Public Company Limited is registered as a company limited on 19 December 1974. The company founders, Mr. Narong Thasnanipan, Mr. Tachapong Pravesvararat and Mr. Songsak Visuttipitakkol, all are well qualified engineers who long possess strong background in large scale domestic foundation work and have been well known among architects, engineering consulting firms and various project owners. At present, Mr. Songsak Visutpitakul, resigned from the position of the Company's Director.

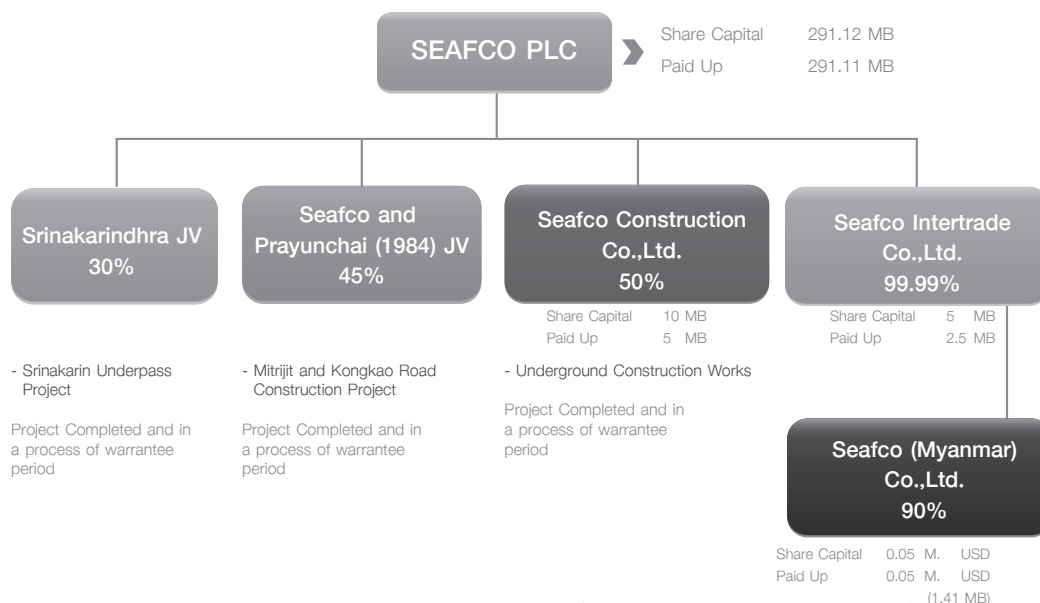
On 30 April 2014, The Company registered a decrease of capital from 333,250,000 shares to 268,730,194 shares, and on 8 May 2014 we registered an increase in capital from 268,730,194 ordinary shares at par value of 1 Baht per share, totaling 268,730,194 Baht to 291,124,377 ordinary shares at par value of 1 Baht per share, totaling 291,124,377 Baht, and 291,110,727 shares have been paid for at the value of 291,110,727 Baht.

On April 24, 2013, the Company increased its registered share capital of 215,000,000 shares at 1 baht each totaling to 215,000,000 baht having total of 333,250,000 ordinary shares at 1 baht each totaling to 333,250,000 baht. The paid up share capital was 268,730,194 shares, totaling to 268,730,194 baht.

On June 17, 2013, the Company established SEAFKO Intertrade Co., Ltd having 50,000 ordinary shares at 100 baht each totaling to 5,000,000 baht. The paid up ordinary shares were 50,000 shares at 50 baht each totaling to 2,500,000 baht. The Company held 99.99 percent of the shares. This company engaged contractor business to provide contract work for building construction, bored piling and retaining wall aboard. Currently, the Company begins its contract work in Myanmar.

On November 20, 2013, SEAFKO Intertrade Co., Ltd established SEAFKO (Myanmar) Co., Ltd in Myanmar having 4,500 ordinary shares of 10,000 kyat each totaling to 4,500,000 kyat. The issued and paid up shares were 4,500 shares totaling to 4,500,000 kyat. The Company provides construction, bored pile and retaining wall services in Myanmar. Currently, the Company starts to provide the service.

SEAFKO Public Company Limited group consist of:



Company Name	Shareholding	Business / Auction
1. Seafco Construction Company Limited	The Company holds 50 of registered and paid up share capital amounted to 10 million baht	The nature of business is providing contractual work from bidding project. The Company has a policy to provide contractual work service for high rise building. Currently, the Company undertakes foundation works for 2 projects.
2. Srinakarindhra JV Construction	The Company holds 30 percent of registered and paid up share capital	This company is a joint venture between Chaianant Trading (2524) Co., Ltd having joint venture ratio of 40 percent and Prayoonchai (1984) Co., Ltd having joint venture ratio of 30 percent. The company was established on May 29, 2007 to perform Srinakarindhra Tunnel and Sukhumvit 103 (Udomsuk) road construction work.
3. Seafco And Prayunchai (1984) JV Construction	Company holds 45 percent of registered and paid up share capital	The company was established on June 20, 2007 to road and pipeline construction for Mitrijit and Kongkao road project. Currently, the company does not perform any business activities. In addition, the Company has no policy to use this JV in any bidding project in the future
4. Seafco Intertrade Co.,Ltd.	The Company holds 99.99 percent of registered share capital of 5 million baht and 2.5 million baht has been paid up	The company has a policy to contractual work for bored pile and Diaphragm Wall construction aboard
5. Seafco (Myanmar) Co.,Ltd.	The Company holds 90 percent of 4,500,000 kyat registered share capital (baht 1,410,300)	The company has a policy to contractual work for bored pile and Diaphragm Wall construction in Myanmar

*It is necessary for the Company to hold the share in this joint venture for the period of 2 years after delivery date in accordance with the obligations set forth by the Bangkok Metropolitan as performance guarantee. After that, the Company will liquidate this joint venture.

On the 7th of July 2003, extraordinary general meeting consensus has approved the decrease of registered capital from 210 million baht to 160 million baht and the increase of capital by 55 million baht (55 million ordinary shares issued at 1 baht per share). Fifty million shares were allocated to public offering and the remaining 5 million shares were reserved without cost for an exercise of Employee Stock Option Program (ESOP). Exercise ratio is set as 1 right per 1 share at exercise price of 5 baht per share. On 15th October 2003, the company has issued these rights to directors and employee whose right expire three year from the issued date.

On 31st October, 2004, the first exercise date of ESOP shares, there was no right exercised on this date.

On 28th April, 2005, the second exercise date of ESOP shares, there was no right exercised on this date.

On 31st October, 2006, the third exercise date of ESOP shares, there were 20 rights exercised and 1,518,000 shares were allocated causing the reserved shares to remain at 3,482,000 shares. Amount received from the third exercise was in total of 7,590,000 baht.

On the 30th April 2007, the forth exercise date of ESOP shares, there were 121 rights exercised and 2,002,000 shares were allocated causing the reserved shares to remain at 1,480,000 shares. Amount received from the third exercise was in total of 10,010,000 baht.

On the 31st October 2008, the fifth exercise of ESOP shares, there were 130 rights exercised and the remaining 1,480,000 shares were all allocated. Amount received from the third exercise was in total of 7,400,000 baht.

On the 13th November 2009, Seafco Public Co., Ltd. Received IR Excellence Award from The Stock Exchange of Thailand (SET) Awards 2009.

On the 19th November 2010, Seafco Public Co., Ltd. Received IR Excellence Award from The Stock Exchange of Thailand (SET) Awards 2010.

On October 6, 2011, Seafco Public Co., Ltd. sold its investments in joint venture Seafco-Ryobi Pte.Ltd. Entirely to foreign investors by the company to earn a profit on sale of investment. 4.91 million baht.

On November 15, 2011, Seafco Construction Co.,Ltd. increase registered capital from baht 1 million baht to 10.9 million baht by seafco Public Co.,Ltd. hold 55% shares from registered capital.

On January 17, 2012, Seafco Construction Co.,Ltd. decrease registered capital from baht 10.9 million baht to 10 million baht , Seafco Public Co.,Ltd. hold 50% shares from registered capital.

On August 15, 2012, Seafco Co. Ltd. and Prayunchai (1984) JV Construction will be registered.

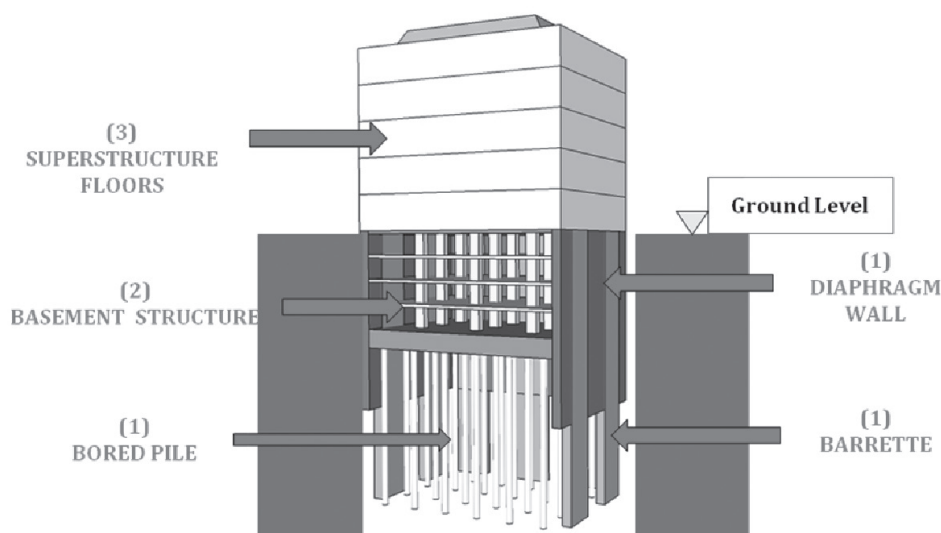
On June 17, 2013, the Company established Seafco Intertrade Co., Ltd with of 5,000,000 baht registered capital. The Company holds 99.99 percent of the share.

On 20 November 2013, we established. Seafco (Myanmar) Co., Ltd. with a registered capital of 4,500,000 kyat with Seafco Intertrade Co., Ltd. holding 90% of its shares by investing 1,410,300 Baht to continue construction, Bored piling and Diaphragm Wall in Myanmar. We have already contracted works.

Nature of Business

The company engages in the business of being the contractor of foundation and general civil works tendering from both the Government and the Private Sectors. The company is capable of handling direct contract works from project owner or sub-contracting from the main contractor. The overall contract works of the company may be summarized as follow:

- Bored Piling
- Diaphragm Wall Construction
- Civil works including foundation and building construction
- Soil Improvement
- Various Testing Service



Revenue Structure of the Group by Line of Business

	Line of Business					
	2012		2013		2014	
	MB	%	MB	%	MB	%
Bored Piling and Diaphragm Wall Construction Revenue (Labor Only)	456	30%	908	69%	832	44%
Bored Piling and Diaphragm Wall Construction Revenue (Labor and Material)	888	58%	282	22%	927	49%
Total Bored Piling and Diaphragm Wall Construction	1,344	88%	1,190	91%	1,759	93%
Sub-Construction and Civil Work Revenue	179	12%	107	8%	31	2%
Overseas	-	-	11	1%	97	5%
Total Revenue	1,523	100%	1,308	100%	1,887	100%

Revenue Structure of the Group by Source of revenue

	2012		2013		2014	
	MB	%	MB	%	MB	%
1. Government Sector	645	42	755	58	671	36
2. Private Sector	878	58	553	42	1,216	64
Total	<u>1,523</u>	<u>100</u>	<u>1,308</u>	<u>100</u>	<u>1,887</u>	<u>100</u>

Industry and Competition

The business situation of the construction of small diameter bored piles and Diaphragm walls, the important parts of the foundation of building and foundation construction, which are varied with the expansion of the domestic property and construction business from the government and the private sectors. The construction of small diameter bored piles business consists of foundation construction of the office building, condominium, hotel, department store, and the foundation construction of toll way, underpass, road, bridge, and subway train. The large diameter bored pile and the retaining wall constructions need big machinery. The Company's 41 years of experience, with the expertise in the local construction of the foundation and its better familiarity with Thailand's soil when compared to others foreign companies, as well as its stable financial status, and good relationship with the main contractors, designers, customers who are the project owners, and construction material distributors, have led to its creditability from related persons and the Company can enter the auction with only a few competitors.

Risk Factors

The Risk of Reliance on Key Management Staff

The founders and core management staff of the company are Mr. Narong Thasnanipan, Mr. Tachapong Pravesvararat. They are engineers who have acquired more than 37 years of working experiences in the construction industry particularly underground construction. They have excellent reputation and well accepted among design engineer, engineering consultant, as well as project owners. This represents an important asset to the company in terms of customer introduction and contacts.

The company recognizes the risk of reliance on these three individuals. The company has implemented human resource planning in each function to enable a smooth succession in senior positions. These includes the recruitment of professionals to assist in the management function, the initiative to build a strong relationship between middle management and operational staff with customers' supervisory as well as operational staff both at government agencies and the private sector to maintain the continuing good relationship for the next management generation, the Company sought the potential candidate and hired the qualified personnel whose work performance proves satisfactory.

The Risk of Reliance on Engineers

The company's business relies on specialists who possess skill and experiences in design, planning, and operating the construction work according to plan. These mean engineers at the level of Project Director, Project Manager, and Project Engineer or Foreman. If the company fails to retain these engineers, it will adversely affect the company's ability to tender for contract, as well as company's future operating results.

Nonetheless, the majority approximately 90% of the company's Project Director, Project Manager, or Project Engineer have had years of service with the company ranging more than 10 years. This is because company's good human resource policy through continuing career development, sponsoring employee domestic and overseas participation in seminar, as well as competitive incentive measure to retain needed staff to work for the company. To minimize potential problem, the company has invited universities to send their engineering students for their internship at the company every year. This has resulted in university graduates become interested in joining the company. The Company has also granted scholarships to a number of educational institutions, namely AIT (Asian Institute of Technology), King Mongkut's Institute of Technology Ladkrabang and International Civil Engineering Program, Kasetsart University.

The Risk of Financing

The risk of the party to the contract defaults on the contract, particularly on payment per contract completion, may cause damage to company's operating result. The company's policy for preventing such risk is to analyze customer's financial position prior to agreeing on the contract. This includes compiling additional customer information or request for advance payment prior to commencement of the contract, or progressive payment on a percentage project completion basis. The company set allowance for doubtful accounts for trade accounts having outstanding debts more than 12 months.

The Risk of the Volatility of Construction Material Cost

There are two types of contract the company has been engaging in namely 1. the contract that includes both costs of labor and construction materials, and 2. the contract that includes labor cost only. In the former case,



the company is responsible for both the construction work, and the acquisition of raw materials resulted in the risk that operating costs may rise because of price volatility or shortage. This is because the company tenders for contract prior to commencement of contract works. Nonetheless such risk may not be excessive comparing to other construction businesses because of the following:

- Most of the contracts the company engages in are with short tenor averaging between 3-5 months per project. This enables construction material cost control for the committed project.
- There are only two main materials namely pre-mixed concrete, and iron wire. The company has been the major customer of the said material distributor. The company is therefore able to negotiate based on good relationship with the distributor and be able to fix material cost over a time period. In addition, in the event of high price volatility, the company may purchase the entire materials estimated to be needed for the project and scheduled for gradual delivery per actual work performed.
- As the diesel price was adjusted in a floating manner, the Company's cost structure was affected. The Company, which was affected by this cost burden, has emphasized this issue and closely monitored the price fluctuation. In case that the diesel price is inclined to rise, the Company would adjust the price for future construction projects to compensate the costs appropriately and consider the future potential in market competition.

The Risk of Delay or Failure to Meet Quality Standard

In general, company's construction contract has included penalty clause for delay amounting to 0.01% for value of contract per day. There is also established maximum fine by number of days or as a percentage of contract value for failure to meet quality standard. In such event the company must undertake to remedy the works resulted in higher operating costs and incurring more work time. Nonetheless if the delay is not caused by the company such as Construction not permitted, the change of construction design or the project owner is not ready to take delivery of the works completed, or the changing weather condition not conducive to construction such as the rainy season. All of these result in hardship to the company without prior warning and proper planning. The company has been able to negotiate and reason with project owner and extend the contract terms. Thus far the company has not been fined for reason of delay because of the long years of experience helping plan the work schedule, and preventive measures for problem or obstacles that may arise ahead of time. This includes the preparedness for tools and equipment required for the works, number of engineering supervisor with experience as well as modern construction technique.

For the civil work undertaken from the government agencies, the company has prepared the construction plan in accordance with the construction schedule to prevent any penalty charge imposed on late delivery even though there have been some penalty charge s imposed in the preceding years.

Risk from new regulations of the public sector

New regulations to be issued by the public sector will certainly affect the construction of the buildings such as rules and regulations related to environment permit which will delay the issue of the construction permit and will increase the construction cost. However, the piling and earth prevention dyke business of the company would be completed within 3-4 months so the impacts would be in a short term. To prevent the risk, the company would ask for the position of the permission process before the work is accepted. Thus the company will be able to arrange a plan to control the production cost within the target.

Risk from investment in subsidiary companies, joint ventures and other companies

As the company has already invested in several subsidiary companies, joint ventures and other companies which have undertaken the businesses similar to that of the corporate group which are involved with a number of construction projects and investments. Each project has different investment partners. Most of the joint ventures are incorporated with an objective to undertake a few projects. The joint ventures will be dissolved after the project has completed. The investment risk is limited to the amount of investment in each project. The feasibility study would be conducted for each project or investment carefully, together with the expected return when the company plans to make an investment. Most of the investments by the company have a satisfactory operating result.

Litigation Risk

In performing construction works, the Company might be affected by damages due to several causes, such as damages nearby, near or adjacent to the construction sites, or those from constructions not meeting the standards or construction drawings, which might result in litigation by the injured like nearby site or project owner, eventually detrimental to the Company.

In order to reduce litigation risk, before entering a construction site, the Company will affect insurance covering damages potentially caused by the construction, including conducting a pre-survey before work commencement. In the part of project owner, the Company deposits with it an achievement bond of 1-2 years, as the case may be. In the past, the Company was not subject to any litigation by a project owner because our work quality met international standards. We were somewhat sued by nearby site owners but not affected by it as we had a separate insurance coverage for it.

New-Projects Risk

With their conditions, bored pile and diaphragm wall works in each project take a period of 3-4 months approximately, hence the risk of being unable to seek new projects upon completion of the current ones. The Company searched for new market for instance, in AEC in order to support domestic market.

The Company has 30 percent of market share in the bored pile and diaphragm wall market, which market share is considered highest. Therefore, it stays a better chance than competitors in getting projects. With over 41 years of reputation, we well understand the competitive conditions and have expanded more bases in foundation, structural, road and tunnel works.

Risk from shortage in personnel

According to the growth in construction business and the government policy to adjust the daily minimum wage to 300 baht in every province of the country, many workers have opted to go back home. As a result, the construction businesses have suffered the labor shortage problem. Therefore, the company has made the registration with the Department of Employment for procurement of alien workers and promotion of trainee students from various academic institutes to participate in the training program of the company for selection of the students to work with the company. Besides, the company has provided educational scholarship to the students in the undergraduate institutes to have those students work with the company after their graduation.

Risks from Fraud and Corruption

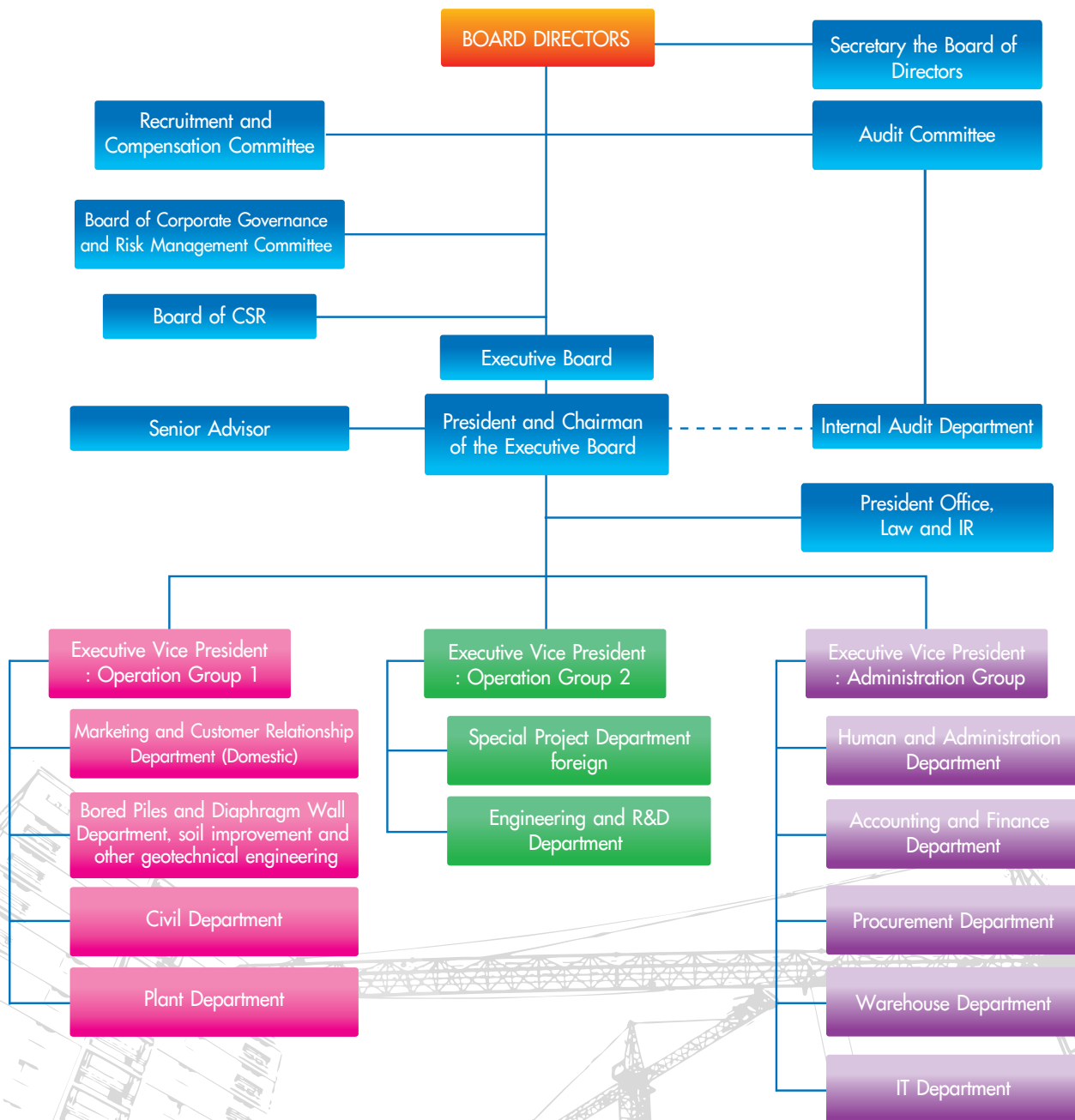
Most of the construction works have to be performed outside, so it is quite difficult to prevent frauds and corruptions. We reduce the risks by encouraging report on wrongdoings and establish foolproof internal control system in which we make assessment continuously. We also provide training in meditation to ensure that our staffs are happy, peaceful and calm in order to reduce risks.

Structure of Shareholders

List of the Largest Shareholders as at January 13, 2015

Shareholders' List	Number of Shares	Percentage of Paid Up Capital
1. Thasnanipan Group	88,091,247	30.26
1.1 Mr. Narong Thasnanipan	22,332,916	7.67
1.2 Miss Nutthakarn Thasnanipan	19,824,196	6.81
1.3 Miss Nutthawan Thasnanipan	16,011,440	5.50
1.4 Mrs. Paovana Thasnanipan	9,388,888	3.23
1.5 Mr. Thasapan Thasnanipan	9,208,333	3.16
1.6 Mr. Nuttapol Thasnanipan	6,922,093	2.38
1.7 Mr. Decha Thasnanipan	1,334,937	0.46
1.8 Mr. Nutthapan Thasnanipan	3,068,444	1.05
2. Pravesvararat Group	27,987,592	9.61
2.1 Mr. Tachapong Pravesvararat	16,951,999	5.82
2.2 Miss. Supaporn Pravesvararat	2,543,068	0.87
2.3 Miss. Suriporn Pravesvararat	2,488,227	0.85
2.4 Miss. Puangmali Pravesvararat	2,696,899	0.93
2.5 Mr. Sumeth Pravesvararat	2,048,730	0.70
2.6 Mr. Chaichalard Pravesvararat	1,205,208	0.42
2.7 Mr. Sanga Pravesvararat	50,000	0.02
2.8 Mr. Aieng Saepueng	3,461	-
3. Thai NVDR Company Limited	9,216,221	3.17
4. Mr. Pichai Vijakkapan	7,135,300	2.45
5. Mr. Thanasin Pipatkittikul	3,557,700	1.22
6. Mr. Vittaya Narathasajan	3,385,416	1.16
7. Mr. Thaweesak Saetang	2,500,000	0.86
8. Ms. Panee Pichidsurakij	2,200,000	0.76
9. Mr. Kaorawit Suputtipong	2,179,166	0.75
10. Mr. Anurak boonsawang	2,170,000	0.74
11. Mr. Surapol Poonsupwattana	2,150,000	0.74
12. Mr. Jatumate Autawanuchit	2,100,000	0.72
13. Other	138,438,085	47.56
Total	291,110,727	100.00

ORGANIZATION CHART



BOARD OF DIRECTORS

AS OF April 11, 2014

SHAREHOLDERS

BOARD OF DIRECTOR

List of names the Board of Director

- | | |
|-----------------------------------------|---------------------------------|
| 1. Assoc.Prof.Dr. Somjai Phagaphasvivat | Chairman (Independent Director) |
| 2. Mr.Narong Thasnanipan | Director |
| 3. Mr.Tachapong Pravesvararat | Director |
| 4. Mr.Padej Rujikhajondej | Director |
| 5. Mr.Kamol Singtogaw | Director |
| 6. Miss Nutthawan Thasnanipan | Director |
| 7. MR.Zaw Zaw Aye | Director |
| 8. Mr. Siwa Sangmanee | Director (Independent Director) |
| 9. Mr.Somkuan Watakeekul | Director (Independent Director) |
| 10. Mr.Somkual Musig-in | Director (Independent Director) |

Secretary the Board of Directors

Mr.Anek Sritupit

EXECUTIVE BOARD

List of names the Board of Executive Director

- | | |
|-------------------------------|--------------------|
| 1. Mr.Narong Thasnanipan | President |
| 2. Mr.Tachapong Pravesvararat | Executive Director |
| 3. Mr.Padej Rujikhajondej | Executive Director |
| 4. Mr.Kamol Singtogaw | Executive Director |
| 5. MR.Zaw Zaw Aye | Executive Director |
| 6. Miss Nutthawan hasnanipan | Executive Director |

AUDIT COMMITTEE

List of names the Audit Committee

- | | |
|--------------------------|---------------------------------|
| 1. Mr. Siwa Sangmanee | Chairman of the Audit Committee |
| 2. Mr.Somkuan Watakeekul | Audit Committee |
| 3. Mr.Somkual Musig-in | Audit Committee |

RISK MANAGEMENT COMMITTEE

List of names the Risk Management Committee

- | | |
|------------------------------|-------------------------------------------|
| 1. Miss Nutthawan hasnanipan | Chairman of the Risk Management Committee |
| 2. Mr.Padej Rujikhajondej | Risk Management Committee |
| 3. Mr.Kamol Singtogaw | Risk Management Committee |
| 4. MR.Zaw Zaw Aye | Risk Management Committee |

RECRUITMENT AND COMPENSATION COMMITTEE

List of names the Recruitment and Compensation Committee

- | | |
|--------------------------|--------------------------------------------------------|
| 1. Mr.Somkuan Watakeekul | Chairman of the Recruitment and Compensation Committee |
| 2. Mr.Narong Thasnanipan | Risk Management Committee |
| 3. MR.Zaw Zaw Aye | Risk Management Committee |

STRUCTURE EXECUTIVE OFFICER

BOARD OF EXECUTIVE OFFICER

List of names the Board of Executive officer

- | | | |
|-------------------|------------------|--------------------------------------------------------------------------------------------------------------------------------|
| 1. Mr. Narong | Thasnanipan | CEO |
| 2. Mr. Zaw Zaw | Aye | Executive Vice President: Operation Group 2 |
| 3. Miss Nutthawan | Thasnanipan | Executive Vice President: Administration Group |
| 4. Mr. Kamol | Singtogaw | Executive Vice President:
Marketing and Customer Relationship Department (Domestic) |
| 5. Mr. Padej | Rujikhajordej | Executive Vice President:
Bored Piles and Diaphragm Wall, soil Improvement and other
geotechnical engineering Department |
| 6. Mr. Kamol | Youyuenpathana | Vice President: Civil Work Department |
| 7. Mr. Anek | Srituptim | Vice President: Accounting and Finance Department |
| 8. Mr. Somsak | Thawatchpongthon | Vice President: Procurement Department |
| 9. Mr. Tawat | Phutphong | Vice President: Plant Department |

Board of Directors

Authorized directors consist of Mr. Narong Thasnanipan, Mr. Tachapong Pravesvararat, Miss Nuttawan Thasnanipan, Mr. Padet Rujikhajorndej, Mr. Kamol Singtogaw and Mr. Zaw Zaw Aye. Two out of the six directors may sign jointly, and affix with company seal to bind the company.

Board Elements

1. The Board of Directors consists totally of not less than 9 persons with qualifications as required by law and the Articles of Association of the Company.
2. The Board of Directors consists of not less than 3 independent directors with the following qualifications:
 - 2.1 Holding no more than 1 percent of the total shares with voting rights in the Company, its group companies, associated companies, subsidiaries, or being a potentially conflicting person.
 - 2.2 Having had no managerial participation; being not an employee, staff, regularly paid advisor, person providing professional service to the Company, such as auditor or lawyer, or a person empowered to control the Company, its group companies, associated companies, subsidiaries, or being a potentially conflicting person, without aforesaid interests or conflicts of interests for a period of not less than 2 years.
 - 2.3 Having no business relationships, interests, conflicts of interests, directly or indirectly, in finance and management, and being not a customer, partner, raw materials supplier, trade creditor/debtor, loan creditor/debtor of the Company, its group companies, associated companies, subsidiaries, or being a potentially conflicting person which could lead to lack of independence.
 - 2.4 Being not a close relative of the management or major shareholders of the Company, its group companies, associated companies, subsidiaries, or a potentially conflicting person and not appointed as its fiduciary representative.
3. Appointment of directors is in accordance with a specifically included agenda focusing on transparency and clearness. Nominating a candidate should be made along with an adequate provision of his/her background information and details for the benefit of selection.
4. Backgrounds of all directors are publicly disclosed thoroughly and each time of director change.
5. Board Chairman is not a chairman or member of any sub-committees in order to leave their undertakings independent.
6. Sub-committees have to arrange a meeting on a regularly basis at least 2 times a year.

Board Qualifications

1. Board qualifications must not be contrary to the Public Limited Companies Act.
2. Having leadership, broad vision, virtue, ethic, and good record of employment.
3. Having interest in the Company's business and being able to provide adequate dedication.
4. Directors must be nominated by the Recruitment and Compensation Committee and appointed by the shareholders' meeting.

5. Neither conducting nor participating in any businesses of the same conditions and competing with Company business, whether for personal or others' gain.

Roles, Duties and Responsibilities of Board Chairman

1. To act as the leader of the Board of Director, control, follow up and manage the Board of Directors, committees and subcommittees to ensure attainment of objectives as planned.
2. To chair the Board Meetings and Shareholders Meetings.
3. To cast a ruling vote at the Board Meeting in case of a tie vote.

Roles, Duties and Responsibilities of Board of Directors

1. Perform duties in compliance with laws, the objects, Articles of Association, and shareholders meeting resolutions with honesty and integrity, Company interests carefully maintained, and responsibility toward the shareholders.
2. Define policies and operational direction of the Company and supervise to ensure that managerial implementations are effective and efficient based on the policies under good corporate governance and toward the best interest of the Company and its shareholders.
3. Provide the Company with an effective and reliable accounting system, financial reporting, internal control and internal audit.
4. Participate in risk management implementation by providing a guideline and suitably adequate risk management measure regularly monitored.
5. Regulate to ensure that all stakeholder parties are treated ethically and equitably by the management team.
6. Independent directors are ready to use their own discretion independently in their consideration of strategy determination plan, management, resources use, director appointment, and operational standard establishment so as to raise highest the economic value for the Company and its shareholders.
7. Review the good corporate governance policy regularly.
8. Make available a Company secretary to assist in implementing several board activities, such as Board and shareholders meeting, give the Board and Company advices about their personal performance and carrying out in compliance with applicable laws and ordinance on a regular basis, and ensure proper disclosure by the Board and Company of data and information.
9. Provide as guidelines for internal performance, provisions about the Code of Conduct and business ethics, and ethics for directors, executives and staff.
10. Stop trading securities at least 1 month prior to a news release of financial statements and at least 3 days subsequent to such release.
11. Report securities holding by them, their spouses and children of an illegal age to a Board meeting at every occurrence of change, and to the Company without delay on the following cases:
 - 11.1 Having a conflict of interest, directly or indirectly, in any contract executed by the Company during a financial year.
 - 11.2 Holding stocks, debentures or preference shares of the Company and its group companies.
12. To assess themselves annually to ensure that they properly take control and perform their tasks well enough. The assessment shall be used for management improvement. The assessment shall be done on the SEC form adapted by the company in line with the company's Board of Directors. The assessment results shall be reported to the Board of Directors for use by the management.

Numbers of Board of Directors and numbers of attendance each director attending the meeting

No.	Board of Directors	No. 1	No. 2	No. 3	No. 4	Total
1	Assoc.Prof.Dr. Somjai Phagaphasvivat (Chairman)	✓	✓	✓	✓	4
2	Mr. Tachapong Pravesvararat	✓	✓	✓	✓	4
3	Mr. Narong Thasnanipan	✓	✓	✓	✓	4
4	Mr. Siwa Sangmanee	✓	✓	✓	✓	4
5	Mr. Somkuan Watakeekul	✓	✗	✗	✓	2
6	Mr. Somkual Musig – In	✓	✓	✓	✓	4
7	Mr. Padej Rujikhajorndej	✓	✓	✓	✓	4
8	Mr. Kamol Singtogaw	✓	✓	✓	✓	4
9	Miss Nutthawan Thasnanipan	✓	✓	✓	✓	4
10	Mr. Zaw Zaw Aye	✓	✓	✓	✓	4

✓ Means attend the meeting

✗ Means not attend the meeting

Roles, Duties and Responsibilities of the President and CEO

1. To adopt business policies and strategies; to set targets and allocate annual budgets for the Company and affiliates for approval by the Board of Directors.
2. To operate business according to the business policies and strategies; to attain the targets with the annual budgets allocated for the Company and affiliates and approved by the Board of Directors.
3. To report results of operation of the company and affiliates monthly and quarterly for comparison with the plan and budget for acknowledgement and suggestions by the Board of Directors.
4. To approve payment up to 5 million Baht at a time, subject to reporting such payment to the Board of Directors.
5. To approve investment not exceeding 50 million Baht in a project related to the company's core business with IRR Project not less than 15%; any project investment – such as maintenance, efficiency increase and replacement of machinery -- that do not meet the above criteria should be submitted to the Board of Directors for approval.
6. To approve reorganization of sections or lower units.
7. To perform other tasks assigned by the Board of Directors.

The authority of the President and CEO does not include (must not be in conflict with the rules of the SEC) approval of transactions which create conflict of interests of the President and CEO, other stakeholders, the company or affiliates or the intercompany transactions, sale of the assets of the company or affiliates which requires approval of the Board Meeting or Shareholders Meeting.

8. To comply with the purchase regulations adopted on 1 March 2006.

Assessment of performance of the President and CEO

The Board of Directors requires that the performance of the President and CEO be assessed annually, using the targets and criteria related to successful implementation of the strategic plans, for determination of proper remuneration and rewards.

Assessment showed that the President and CEO performed their duties excellently in 2014.

Improvement of Directors and Executives

The Board of Directors encourage the training and education of directors and executives to provide ongoing operational improvements, such as holding meetings between the directors and high level executives so that they can exchange ideas with each other; make plan for the development of President, Executive Vice President and Vice President to ensure that they are competent enough to perform the following duties.

1. The Board of Directors shall make plan for the increase of the executives' potential, replacement of executives such as President and CEO and Executive Vice President or his deputy.
2. The Recruitment and Remuneration Fixing Committee shall set forth the competency of each executive to ensure engagement of persons with the right qualifications for any vacant positions.
3. To assign the Deputy Executive Vice President: Administration Group the task of overseeing the training and development of knowledge and skills of the new President and CEO.
4. The President shall report the results of the operation and development according to the leadership development program to the Recruitment and Remuneration Fixing Committee twice a year.
5. The Recruitment and Remuneration Fixing Committee shall regularly review and summarize the plan for the replacement of President and Executive Vice President and submit a report to the Board of Directors twice a year.

In 2014, the Directors, President CEO took the following training courses:

1. High Executive Program, Thammasat for Society NorMorThor. Group 4
2. Leadership Development Program (LDP), Group 2

Audit Committee

The Audit Committee must consist of not less than 3 independent directors, at least one being knowledgeable and experienced in financial review.

Mr. Somkual Musig – In an experience in the financial statements. The Bachelor of Business Administration (Accounting) from Thammasat University.

Roles, Duties and Responsibilities of Audit Committee

1. Review to ensure proper financial reporting and adequate disclosure by coordinating with an auditor from outside, with the management being responsible for producing financial reports both quarterly and annually. The Audit Committee might suggest the auditor to review or audit any transactions deemed necessary and important during an audit.
2. Review to ensure the halving of a suitably efficient internal control and internal audit, jointly with external and internal auditors.
3. Review to ensure that Company performance conforms to the law on securities and stock exchange, Stock Exchange's requirements, or laws related to securities business.

4. Consider, select and nominate for appointment, a Company auditor and propose auditor emolument with regard to credibility, resourcefulness and amount of audit works of such auditing firm, including the experience of the person designated for auditing.
5. To disengage auditor who fails to accomplish to tasks.
6. To recruit and nominate the auditor who will conduct audit as assigned; to have the power to disengage the auditor who fails to accomplish the tasks.
7. Consider the Company's disclosure in the event of party-related transactions or those potentially with conflicts of interests to ensure accuracy and completeness and consider approving such transactions for further proposing to the Board's and/or shareholders' meeting.
8. Carry out anything else as designated by the Board of Directors and agreed to by the Audit Committee, such as review of financial management and risk management, review of adherence by executives to the Code of Conduct, joint review with the management of important reports legally required to be presented to the public such as executive reports and analysis, etc.
9. Produce and disclose an Audit Committee activity report in the Company's annual report, which is signed by the Chairman of Audit Committee and should consist of the following particulars:
 - 9.1 Opinion toward the accuracy, completeness and reliability of the production process and disclosure of financial reports.
 - 9.2 Opinion toward the adequacy of the internal control.
 - 9.3 Decent reason justifying the appointment of the auditor for another term.
 - 9.4 Opinion toward compliance with the law on securities and stock exchange, Stock Exchange requirements, and laws related to Company business.
10. Any other reports that in its opinion should be known by the shareholders and general investors, under the scope of duties and responsibilities assigned by the Board of Directors.
11. Report the Audit Committee's performance to the Board of Directors at least 4 times a year.
12. Arrange a meeting between the Audit Committee and the external auditor at least 4 times a year.

Numbers of Board of Audit Committee and numbers of attendance each director attending the meeting

No.	Board of Audit Committee	No. 1	No. 2	No. 3	No. 4	Total
1	Mr. Siwa Sangmanee (Chairman)	✓	✓	✓	✓	4
2	Mr. Somkuan Watakeekul	✓	✗	✗	✓	2
3	Mr. Somkual Musig – In	✓	✓	✓	✓	4

- ✓ Means attend the meeting
 ✗ Means not attend the meeting

The Executive Committee

The Duty and Authority of the Executive Committee

The Executive Committee is to establish policy, guideline, strategy, and core management structure to operate the business of the company corresponding and supportive to the economic environment and competition as announced at the General Shareholders' Meeting. The Executive Committee is to report to the Board of Directors for approval its business plan, budget, and delegation of authority, to enable the Board to follow-up on the policy, the efficient conduct of the company's business, and the operating results according to the approved business plan. The Committee is to engage in financial transaction with financial institution and perform other matters as assigned by the Board of Directors.

The Recruitment and Compensation Committee

Roles, Duties and Responsibilities of the Recruitment and Compensation Committee

1. Review and establish qualification and recruit individuals for the positions of
 - company director and submit to the Board for appointment consideration at the General Shareholders' Meeting
 - executive committee member and submit to the Board for appointment consideration
2. Establish criteria for compensation to directors, managing director, and submit to the Board for approval consideration at the General Shareholders' Meeting
3. Conduct other matters as assigned by the Board of Directors.
4. To recruit and select the persons to become the directors and chairman of the executives at the expiry of the term or when there is any vacancy or the other executive post assigned by the board of directors.
5. To provide recommendation on method to evaluate the performance of the directors and the board of directors to the board of directors.
6. To review and suggest any correction to scope, duty and responsibility of the recruitment committee in compliance with the conditions.
7. Other works assigned by the board of directors.

Numbers of Board of Recruitment and Compensation Committee and numbers of attendance each director attending the meeting

No.	Board of Recruitment and Compensation Committee	No. 1	No. 2	Total
1	Mr. Somkuan Watakeekul (Chairman)	✓	✓	2
2	Mr. Narong Thasnanipan	✓	✓	2
3	Mr. Zaw Zaw Aye	✓	✓	2

✓ Means attend the meeting

✗ Means not attend the meeting

Risk management committee

Roles, Duties and Responsibilities of the risk management committee

Corporate Governance

1. To determine policies and to arrange corporate governance manual of the company and to prepare the business ethics manual for submission to the board of directors for approval on practice by every level of the employees.
2. To supervise strict and continuous compliance with corporate governance manual and business ethics manual.
3. To make an assessment and review related to policies, directions, guidelines or practices on international corporate governance.
4. To monitor movement, trend and comparison with leading companies on good corporate governance for better improvement.
5. To provide suggestion to the company, the board of directors, the management and working group on matters related to good corporate governance.
6. To prepare and submit a report on compliance with the good corporate governance policy to the board of directors immediately on matters with significant impacts on the company.
7. Disclosure on information related to good corporate governance in the website of the company and the annual report to all stakeholders for acknowledgement.

Risk

1. To formulate a policy on risk management covering various risk management for consideration by the board of directors
2. To follow up the risk management since the commencement of the process to identify the risk and to analyze, assess, monitor and report the risk management systematically
3. To advise internal units in the organization with the risk management process and to monitor and assess the outcome consistently
4. To prepare a report to the audit committee on the improvements needed in compliance with the policy and strategy of the company

Numbers of risk management committee and numbers of attendance each director attending the meeting

No.	Risk Management Committee	No.				Total
		1	2	3	4	
1	Miss. Nuttawan Thasnanipan (Chairman)	✓	✓	✓	✓	4
2	Mr. Padej Rujikhajorndej	✓	✓	✓	✓	4
3	Mr. Kamol Singtogaw	✓	✓	✓	✓	4
4	Mr. Zaw Zaw Aye	✓	✓	✓	✓	4

✓ Means attend the meeting

✗ Means not attend the meeting

Company Secretary

Roles, Duties and Responsibilities of the company secretary

1. To advise the directors on legal matters, related rules and regulations.
2. To ensure that the company complies with the law, articles of association, regulations and good governance practice.
3. To hold meetings as required by law and articles of association; to make and keep director registration, invitations to Board Meetings, annual reports, invitations to shareholders meetings and minutes of shareholders meetings; to ensure compliance with the resolutions of Board Meetings and Shareholders Meetings.
4. To ensure disclosure of information to regulatory agencies.
5. To contact and communicate with shareholders and regulatory agencies concerned.
6. To provide information on training courses for directors for the benefit of their duty performance.
7. To perform other duties assigned by the Board of Directors.

Secretary's Profile

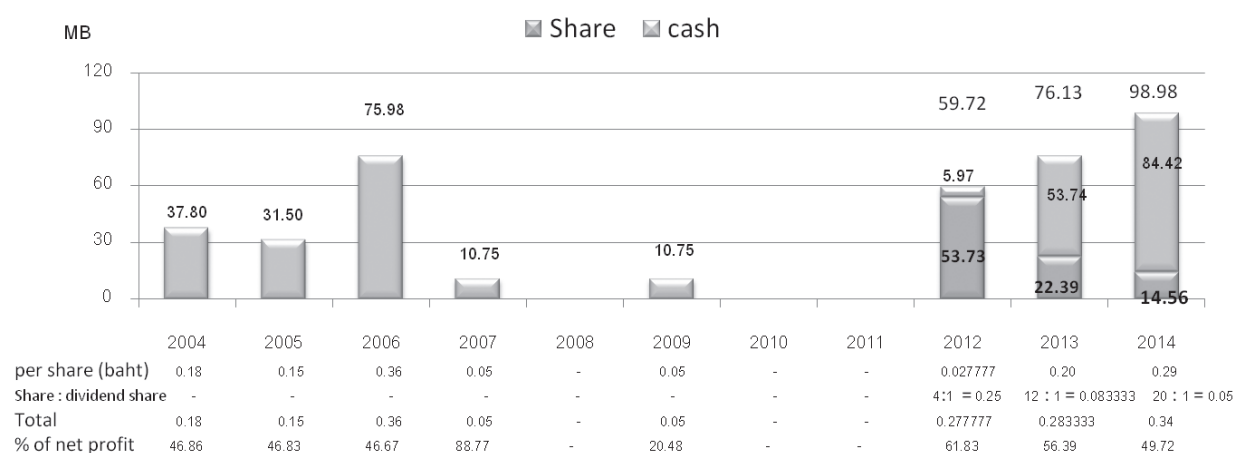
Mr. Anek Srituptim is the Secretary of the company. See his profile on page 40 of the annual report.

Policy on Dividend Payment

It is our policy to pay dividend at the rate of at least 40% of net profit after deduction of taxes and allocation of reserve as required by law, provided that such payment does not significantly affect the normal operation of the company. Decision on dividend payment shall be based on performance, financial status, liquidity and expansion plan, etc., subject to approval of shareholders meeting or Board of Directors.

Our affiliates pay dividend on the basis of their performance and plans for future investment. The rate of payment is not fixed.

Dividend each year



Details of Directors and Persons with Power of Control

1. Office terms of executives and persons with power of control

Executives Name and persons with power of control	Company	Related Companies				
		1	2	3	4	5
1. Mr. Tachapong Pravesvararat	/, //	/	/		/	/
2. Mr. Narong Thasnanipan	/, //, 0	/	/	/	/	/
3. Miss Nutthawan Thasnanipan	/, //, ///					
4. Mr. Padej Rujikhajorndej	/, //, ///					
5. Mr. Kamol Singtogaw	/, //, ///	/				
6. Mr. Zaw Zaw Aye	/, //, ///	/	/	/		
7. Asst. Prof. Dr. Somjai Phagaphasvivat	X, /					
8. Mr. Siwa Sangmanee	/					
9. Mr. Somkuan Watakeekul	/					
10. Mr. Somkual Musig-In	/					
11. Mr. Anek Srituptim	///					
12. Mr. Kamol Youyuenpathana	///					
13. Mr. Somsak Thawatchpongthon	///					
14. Mr. Tawat Putphong	///					

Note:

1. = Seafco Construction Co., Ltd.
2. = Seafco Intertrade Co., Ltd.
3. = Seafco (Myanmar) Co., Ltd.
4. = Srinakarin Joint Venture
5. = Seafco and Prayoonchai (1984) Joint Venture

X = Chairman

/ = Director

// = Executive Director

/// = Executive Officer

0 = CEO

2. Report on shareholding of directors and high level executives

Executives Name and persons with power of control	10 January 2014	During the year 2014 Increase (decrease)	13 January 2015
1. Mr. Tachapong Pravesvararat	15,640,000	1,311,999	16,951,999
2. Mr. Narong Thasnanipan	20,615,000	1,717,916	22,332,916
3. Miss Nutthawan Thasnanipan	14,779,791	1,231,649	16,011,440
4. Mr. Padej Rujikhajondej	49,925	20,860	70,785
5. Mr. Kamol Singtogaw	6,250	25,410	31,660
6. Mr. Zaw Zaw Aye	35,000	2,916	37,916
7. Asst. Prof. Dr. Somjai Phagaphasvivat	-	-	-
8. Mr. Siwa Sangmanee	-	-	-
9. Mr. Somkuan Watakeekul	-	-	-
10. Mr. Somkual Musig-In	-	-	-
11. Mr. Anek Srituptim	26,875	2,239	29,114
12. Mr. Kamol Youyuenpathana	-	-	-
13. Mr. Somsak Thawatchpongthon	-	-	-
14. Mr. Tawat Putphong	10,000	833	10,833

3. Details of directors, executives, persons with power of control and secretary

Name-Surname / Position / Date of appointment	Age (Year)	Education	Percentage of Paid up capital	Relationship between management	Experiences		
					Year	Position	Company / Structural
Mr. Tachapong Pravesvararat - Director Director is authorized to bind the company, according to the Certificate of company registration. Thai National ID Card 3100601949645 - Date of initial appointment is 18 March 2004 - Date of recent appointment is 12 April 2013	70	- Bachelor's Degree of Science in Civil Engineering Chulalongkorn University <u>IOD Program</u> - Director Accreditation Program Class 15/2004 - Chairman 2000 - Finance for Non – Finance Directors - Director Certification Program Class 91/2007	5.82	None	1999 - 2013	Chairman of Director	Seafoo PLC / Bored pile and Diaphragm Wall Service
					2013 - Now	Director	Seafoo PLC / Bored pile and Diaphragm Wall Service

Name-Surname / Position / Date of appointment	Age (Year)	Education	Percentage of Paid up capital	Relationship between management	Experiences		
					Year	Position	Company / Structural
<p>Mr. Narong Thasnanipan</p> <ul style="list-style-type: none"> - Director - CEO <p>Director is authorized to bind the company, according to the Certificate of company registration</p> <p>Thai National ID Card 3100601048141</p> <ul style="list-style-type: none"> - Date of initial appointment is 18 March 2004 - Date of recent appointment is 12 April 2012 	67	<ul style="list-style-type: none"> - Bachelor's Degree of Science in Civil Engineering Far Eastern University, Manila, Philippines - Bachelor's Degree of Law in Ramkhamhaeng University - Certificate of Capital market academy class 12 IQD Program - Director Accreditation Program Class 15/2004 - Finance for Non -Finance Directors - Director Certification Program Class 92/2007 - Advanced Audit Committee Class 1/2009 <p><u>Other Program</u></p> <ul style="list-style-type: none"> - Bhumipalung Phandin Program, Chulalongkorn University Group 2 - High Executive Program, Thammasat for Society NorMorThor. Group 4 - Samanthi Course, Willpower Institute Class 27 - Autamasasamathi Course, Willpower Institute Class 1 (Praprom) 	7.67	Father Miss. Nutthawan Thasnanipan	1999 - Now	President and Chairman of the Executive Board	Seafco PLC / Bored pile and Diaphragm Wall Service

Name-Surname / Position / Date of appointment	Age (Year)	Education	Percentage of Paid up capital	Relationship between management	Experiences		
					Year	Position	Company / Structural
Miss Nutthawan Thasnanipan - Director - Executive Vice President: Administrative Group Director is authorized to bind the company, according to the Certificate of company registration Thai National ID Card 3100601048192 - Date of initial appointment is 10 April 2009 - Date of recent appointment is 12 April 2013	36	- Msc. of Financial Management, University of Exeter, UK <u>IOD Program</u> - Director Certification Program Class 116/2009 - Professional CFO Class 4 (NIDA) - Executive Director Program Class 5 - Role of the Nomination and Governance Committee 1/2011 <u>Other Program</u> - High Executive Program, Thammasat for Society NorMorThor. Group 3 - Leadership Development Program (LDP) Class 2 Thai Listed Companies Association (TLCA)	5.50	Offspring Mr. Narong Thasnanipan	2009 - 2013 2013 - Now	Director Executive Vice President: Administrative Group	Seafco PLC / Bored pile and Diaphragm Wall Service Seafco PLC

Name-Surname / Position / Date of appointment	Age (Year)	Education	Percentage of Paid up capital	Relationship between management	Experiences		
					Year	Position	Company / Structural
Mr. Padej Rujikhajorndej - Director - Executive Vice President: Bored Piles and Diaphragm Wall Soil Improvement and Other Geotechnical Engineering Department Director is authorized to bind the company, according to the Certificate of company registration Thai National ID Card 3101400696619 - Date of initial appointment is 18 March 2004 - Date of recent appointment is 17 April 2014	58	- Bachelor's Degree of Science in Civil Engineering Khon Kaen University <u>IOD Program</u> - Director Accreditation Program - Class 14/2004 - Director Certification Program - Class 91/2007 <u>Other Program</u> - Executive Mini MBA (NIDA)	0.02	None	1999-Now	Director	Seafco PLC / Bored pile and Diaphragm Wall Service

Name-Surname / Position / Date of appointment	Age (Year)	Education	Percentage of Paid up capital	Relationship between management	Experiences		
					Year	Position	Company / Structural
Mr. Kamol Singtogaw - Director - Executive Vice President: Marketing and Domestic Customer Relationship Department Director is authorized to bind the company, according to the Certificate of company registration Thai National ID Card 330120106211 - Date of initial appointment is 18 March 2004 - Date of recent appointment is 17 April 2014	52	- Bachelor's Degree of Science in Civil Engineering Khon Kaen University <u>IOD Program</u> - Director Accreditation Program Class 14/2004 - Director Certification Program Class 91/2007 - Executive Director Program Class 6/2010 <u>Other Program</u> - Samanthi Course, Willpower Institute Class 29 - Autamasasamathi Course, Willpower Institute Class 1 (Praprom)	0.01	None	1999 - Now	- Director - Executive Vice President: Marketing and Domestic Customer Relationship Department	Seafco PLC / Bored pile and Diaphragm Wall Service

Name-Surname / Position / Date of appointment	Age (Year)	Education	Percentage of Paid up capital	Relationship between management	Experiences		
					Year	Position	Company / Structural
Mr.Zaw Zaw Aye - Director - Executive Vice President : Operation Group 2 Director is authorized to bind the company, according to the Certificate of company registration Passport Number M095654 - Date of initial appointment is 18 April 2011 - Date of recent appointment is 12 April 2012	51	M.Sc in Geotechnical Engineering, Asian Institute of Technology, Thailand <u>IOD Program</u> - Director Accreditation Program - Class 14/2004 - Director Certification Program - Class 196/2014	0.01	None	1999 - 2011	Executive Vice President - R&D Department	Seafco PLC / Bored pile and Diaphragm Wall Service
					2011 - 2013	Senior Executive Vice President	Seafco PLC
					2013 - Now	Executive Vice President : Operation Group 2	Seafco PLC

Name-Surname / Position / Date of appointment	Age (Year)	Education	Percentage of Paid up capital	Relationship between management	Experiences		
					Year	Position	Company / Structural
Asst.Prof.Dr.Somjai Phagaphavivat - Chairman - Independent Director Thai National ID Card 3101203303941 - Date of initial appointment is 18 March 2004 - Date of recent appointment is 12 April 2013	68	- MBA and Ph.D. political science from Madrid University, Spain. - MBA and Ph.D. economics from Nancy University, France.	None	None	1999 - Now	associate professor at the Faculty of Political Science	Thammasat University
					2004 - 2012	Chairman of the Audit Committee	Seafco PLC / Bored pile and Diaphragm Wall Service
					2013 - Now	Chairman	Seafco PLC /
Mr. Somkual Musig-In - Director - Audit Committee Director Thai National ID Card 3100904943490 - Date of initial appointment is 18 March 2004 - Date of recent appointment is 12 April 2012	66	- Bachelor's Degree of Administration (Accounting) Thammasat University <u>IOD Program</u> - Director Accreditation Program Class 21/2004 - Director Certification Program Class 97/2007	None	None	1999-Now	Director	Lucent Technologies Network(Thailand) Co.,Ltd./ Telecom Equipment Manufacturers
					2004-Now	Audit Committee Director	Seafco PLC / Bored pile and Diaphragm Wall Service

Name-Surname / Position / Date of appointment	Age (Year)	Education	Percentage of Paid up capital	Relationship between management	Experiences		
					Year	Position	Company / Structural
Mr. Somkuan Watakeekul - Director - Audit Committee Director Thai National ID Card 3100200821508 - Date of initial appointment is 18 March 2004 - Date of recent appointment is 17 April 2014	75	- Bachelor's Degree of Science in Engineering Chulalongkorn University - Master Degree of Science in Engineering Asian Institute of Technology - Advanced Management Program Harvard Business School <u>IOD Program</u> - Director Accreditation Program Class 21/2004 - Director Certification Program Class 96/2007	None	None	1999 - Now	Director	Management Solution International Co.,Ltd. (MSI) / Consulting to the organizational structure
					2004 - Now	Audit Committee Director	Seafco PLC / Bored pile and Diaphragm Wall Service
Mr. Siwa Sangmanee - Director - Chairman of the Audit Committee Thai National ID Card 3100200953641 - Date of initial appointment is 12 April 2013	69	- Master of Business Administra- tion degree (Public Administra- tion science) from National Institute of Development Adminis- tration (NIDA) <u>IOD Program</u> - Director Certification Program - Class 97/2007 <u>Other Program</u> - Bhumpalung Phandin Program, Chulalongkorn University Group 2 - High Executive Program, Thammasat for Society NorMorThor. Group 2	None	None	2013 - Now	Chairman of the Audit Committee	Seafco PLC / Bored pile and Diaphragm Wall Service

Name-Surname / Position / Date of appointment	Age (Year)	Education	Percentage of Paid up capital	Relationship between management	Experiences		
					Year	Position	Company / Structural
Mr.Anek Sritupitum - Vice President: Accounting and Finance Department - Company Secretary Thai National ID Card 5110199035768 - Date of initial appointment is 18 March 2004	58	- Bachelor's Degree of Account- ing in Ramkhamhaeng University - Master Degree of Law in Ramkhamhaeng University <u>IOD Program</u> - Company Secretary Program - Executive Director Program Class 10 - Professional CFO Class 10 <u>Other Program</u> - Samanthi Course, Willpower Institute Class 30 - Autamasasamathi Course, Willpower Institute Class 1 (Praprom)	0.01	None	2003 - 2011 2011 - Now	Executive Vice President - Administrative Department Vice President : Accounting and Finance Department	Seafco PLC / Bored pile and Diaphragm Wall Service Seafco PLC
Mr. Kamol Youyuenpattana - Vice President : Civil Department Thai National ID Card 3329900273488 - Date of initial appointment is 18 March 2004	55	- Bachelor's Degree of Science in Civil Engineering Khon Kaen University <u>Other Program</u> - Samanthi Course, Willpower Institute Class 30	None	None	1999 - Now	Vice President : Civil Department	Seafco PLC / Bored pile and Diaphragm Wall Service

Name-Surname / Position / Date of appointment	Age (Year)	Education	Percentage of Paid up capital	Relationship between management	Experiences		
					Year	Position	Company / Structural
Mr. Somsak Thawatchpongthorn Vice President : Procurement Department Thai National ID Card 3101500373382 - Date of initial appointment is 3 October 2011	59	<ul style="list-style-type: none"> - Bachelor's Degree of Accounting in Ramkhamhaeng University Other Program - Samanthi Course, Willpower Institute Class 30 - Autamasasamathi Course, Willpower Institute Class 1 (Praprom) 	None	None	2004 - 2011	Director of Internal Audit And Audit Committee Secretary	Seafco PLC / Bored pile and Diaphragm Wall Service
					2011 - Now	Vice President : Procurement Department	Seafco PLC
Mr. Tawat Phutpong Vice President : Plant Department Thai National ID Card 3100400286282 - Date of initial appointment is 18 March 2013	52	<ul style="list-style-type: none"> - Bachelor's Degree of Faculty of Engineering in Rajamangala University of Technology Phra Nakhon 	0.0037	None	2004-2013	Director of Maintenance department	Seafco PLC / Bored pile and Diaphragm Wall Service
					2013-Now	Vice President : Plant Department	Seafco PLC

Remuneration to Directors and Executives

To determine the remuneration of the directors of the company, the recruitment committee considered and determined the remuneration in accordance with the following guidelines.

1. Remuneration to directors

The remuneration of the board of directors was considered from the duty and responsibility of the board of directors and the performance of the directors with approval from the shareholders.

The recruitment committee was required to consider the type of remuneration, remuneration method and amount of remuneration of the directors and submitted to the board of directors for approval and further submission to the meeting of shareholders for approval.

To determine such remuneration, the recruitment committee was required to look at the duty, responsibility, determination of the directors while the remuneration was comparable to that of the other in the similar business and the such remuneration was required to be appropriate and sufficient to motivate and maintain the quality directors.

The recruitment committee was required to consider and determine the remuneration of the chairman of the executive board as the executive based on the criteria similar to that of the directors.

2. Type of remunerations should be consisting of three components.

2.1 Meeting allowance reflecting the work undertaken by the directors and incentives for performance by the directors through consistent attendance to the meeting.

2.2 Monthly remuneration reflecting responsibility and duty of the directors

2.3 Bonus dependent on the operating results of the company in each year.

3. Payment of remunerations

3.1 Meeting allowance paid to every director and specific director attending the meeting (both independent directors, the non-executive directors and the executive directors and the specific directors).

3.2 Monthly remuneration paid on a monthly basis to the independent directors except the executive directors.

3.3 Bonus paid on a annual basis dependent of the performance of the company. It would be paid to the independent directors except the executive directors.

Compensation to Directors and Management

	2012		2013		2014	
	Number of Persons	Compensation in Baht	Number of Persons	Compensation in Baht	Number of Persons	Compensation in Baht
<u>Management Compensation</u>						
Salary	11	27,110,497	10	29,635,004	10	36,857,410
<u>Director Compensation and Director Fee</u>	9		10		10	
- Assoc. Prof.Dr.Somjai Phagaphasvivat		640,000		755,000		800,000
- Mr. Somkuan Watakeekul		480,000		580,000		620,000
- Mr. Somkual Musig-in		480,000		580,000		620,000
- Mr. Siwa Sangmanee		-		460,000		620,000
- Mr. Tachapong Pravesvararat		360,000		100,000		20,000
- Mr. Narong Thasnanipan		300,000		85,000		20,000
- Mr. Padet Rujikhajondej		220,000		65,000		20,000
- Mr. Kamol Singtogaw		220,000		65,000		20,000
- Miss Nutthawan Thasnanipan		200,000		60,000		20,000
- Mr. Zaw Zaw Aye		220,000		65,000		20,000
Total		<u>3,120,000</u>		<u>2,815,000</u>		<u>2,780,000</u>

(From 2013 to 2014, Mr. Anek Sritubtim was paid for working as secretary at the rate of 220,000 Baht, 65,000 Baht and 20,000 Baht respectively)

Good Governance

The board of director has put its focus on the good governance practice to ensure transparency, responsibility under the authority and duty of the board of directors and the executives and confidence of the shareholders and all investors. Thus the policy has been arranged to support the corporate supervision on key areas as follows:

1. Governance Policy

The company recognizes good governance in order to keep investors and the general public informed and be able to examine the operation of the company. The company has established supervision policy emphasizing matters related to directors, transparency in company's conduct, the disclosure of information, and risk management to build confidence among shareholders, investor, and all relevant parties.

The company has attended the good corporate governance development project for listed companies for the year 2012 with the Stock Exchange of Thailand to evaluate the performance to be improved for better good corporate governance work. At present it is in the process of collecting and grouping the policies into proper category.

2. Shareholders : Rights and fair treatment

The board of directors of the company has put its priority on rights and fair treatment toward the shareholders by stating clearly in the policy that the shareholders of the company are eligible to receive the share certificate and right to transfer shares, right to receive timely and sufficient information in a format suitable to the decision making, right of shareholders to attend the meeting and cast a vote in the meeting of shareholders for change in major policies of the company, right to elect and remove the directors and right to appoint the auditor and right in the profit sharing.

In the meeting of shareholders, the board of directors has a policy to facilitate the shareholders through submission of complete, clear and sufficient and timely information and the board of directors has encouraged the shareholders to attend and exercise their voting right in the meeting or to assign any person to attend the meeting or the independent director to cast the vote if the shareholder is unable to attend the meeting and to provide the shareholders an opportunity to express their opinion, ask for clarification or make an inquiry in an equitable manner.

The company has arranged the general meeting of shareholders of 2012 on 11 April 2013 at the conference room of the company No. 144, Prayasuren Rd., Bangchan, Klong Sam Wah, Bangkok 10510, with nine directors attending the meeting. The company has assigned Securities Depository Center Co., Ltd. (Thailand), the registrar of the company, to send a letter of invitation to the meeting in advance and has made the notice in the website of the company 21 days before the meeting date. The report to shareholders for 2013 has been posted in the website of the company 14 days after the meeting date and the shareholders are eligible to make a correction if the minutes of the meeting have been found incorrect within 30 days since the disclosure in the website of the company. The right of minority shareholders is available for submission of the agenda of the meeting and the names of the directors to replace the directors whose term has expired. The company has made the notification on this matter through the Stock Exchange of Thailand to inform the shareholders and is opened to receive the matters in the month of January 2013 and has made the notification in the website of the company to indicate the procedures and methods of the decision process to ensure transparency and clarity. The shareholders have expressed no agenda of the meeting in the meeting of shareholders of 2013.

3. Right of various stakeholders

The company has determined to treat every stakeholder in a fair manner by setting up a policy on the stakeholders in the corporate governance policy between the company and the stakeholders like the employees, customers, trading partners, creditors, government agencies, communities located with the office of the company,

including the overall society. Guidelines for practice by the directors, executives and employees have been arranged on an equitable basis and balanced mutual benefits with key focus on the conflict of interest, responsibility towards the shareholders, policies and treatment toward the employees, customers, trading partners, creditors, competitors and the overall society. It is specified that every director, executive and employee is required to learn, understand and strictly comply with the guidelines provided to ensure that the right of every stakeholder is protected and well treated. Besides, there is a channel available to receive the claim on corporate governance and business ethics from six groups of stakeholders consisting of customer group, trading partner group, shareholders and investor group, employee group and neighboring community group with consistent monitoring and report.

Regarding the employees, the company is aware that the employees are the key valuable success factor so the policy and practice have been arranged to ensure fair treatment for employees of every race and language, both opportunity, return, appointment, rotation, potential development, maintenance of the working environment for safety of life and property of the employees at all times. The company has undertaken the measures on safety, professional safety and environment sufficiently and appropriately to prevent any life casualty and injury and sickness from the accident or from the work undertaken.

The principle held by the company is to provide a fair return to the employees in terms of salary, welfare and compensation in any form connecting to the value added to the shareholders in the long run. The personnel management has been fairly arranged in conjunction with the opportunity provided for learning, development of knowledge and competence of the employees to their full potential for every employee in a consistent manner. The company has set up the performance assessment committee to evaluate the performance of each employee to ensure transparency and mobility of resources of the company toward sustainable and stable prospect.

Regarding the customers, the company has determined to develop the working process in response to the need of the customers for better efficiency and effectiveness, to keep and comply with the agreement made with the customers strictly by delivery quality output in accordance with the expectation of the customers at the fair price, to provide advice related to geological engineering and correct, timely and sufficient information, compliance with conditions made with the customers strictly and to arrange the system and process to accept complaint from the customers related to the quality, quantity, work safety, including suggestions on efficient operation beneficial to the customers. Besides, the emphasis is on maintenance of confidentiality of the customers and not to utilize for illegitimate purpose.

Regarding trading partners and/or creditors, the company has arranged the policies and practices toward the trading partners and/or creditors fairly and equitably with regard to the maximum interest of the company and fair return to both sides and avoidance of the situation causing the conflict of interest and compliance with the obligations under the agreement made.

Regarding the competitor, the company has arranged the policies and practices toward the competitors to ensure compliance with the international standard under the legal framework related to practice under the free trade competition, not to divulge secret or to learn the trade secret of the competitors through the fraudulent method, not to dump the market to compete for the customers. The concept of the company is to undertake the business in a fair manner.

Regarding the community and overall society, the company has encouraged and embedded awareness for social responsibility among the employees of all levels not to provide assistance or support or allow illegal practice. The company holds that the community is part of the company to be developed through spiritual development and awareness of the good deed in the communities around the company. The company in conjunction with Jittanuparb

Institute has opened Branch No 47 for concentration training. Two concentration training classes have already been conducted to make spiritual development and community awareness for the communities and employees of the company to ensure sustainable development.

To support the above policies, the company has undertaken the social responsible activities or Corporate Social Responsibility (CSR) as the company has believed that the spiritual development will result in better social development. The incorrect act will be suspended as the spirit has been diverted from the wrong practice so theft or fraud in the community will decline and the society will be sustainable and livable.

The Company has anti-corruption policy as well as corruption prevention by creating communication channel via human resources management department which will directly report to the management. The Company also has spiritual development campaign for the employees with an aim to reduce the corruption.

4. General Shareholders' Meeting

In 2013, the company has arranged the general meeting of shareholders on 11 April 2013 at 9.30 A.M. at the conference room of the company No 144, Prayasuren Rd. (Ramintra 109 Rd.), Bangchan, Klong Sam Wah, Bangkok. The board of directors of the company has a policy to have the shareholders take part in the decision making and have provided the shareholders with information completely, timely and sufficiently for the decision making. The company has sent the letter of invitation to the meeting, together with supporting information for the agenda to the shareholders in advance of the meeting. Each agenda is required to be provided with the opinion of the board of directors. The meeting has been attended by nine directors, including the chairman of the audit committee, the chairman of the corporate governance and recruitment committee and the chairman of the compensation committee and the company has the top executives, the auditor and independent observers from the Thai Investors Promotion Association attend the meeting as well.

The chairman of the meeting provided an opportunity to every shareholder equally to examine the business undertaken by the company and has replied to the inquiries to each agenda. The chairman of the meeting has encouraged the shareholders to express their opinion and to ask for clarification related to the operation of the company. In addition, the board of directors has arranged the minutes of the meeting and disclosed such minutes in the website of the company within 14 days since the meeting date so the shareholders are able to examine and make a correction within 30 days.

5. Leadership and Vision

The Board of Directors has participated in the establishment of vision, mission statements, strategy, goal, business plan, and budget of the company as well as supervising the management to perform according to its business plan, and established budget efficiently and effectively in order to maximize the economic value, and security to the shareholders.

6. Conflict of Interests

The company has policy to prevent conflict of interest by establishing policy and procedures in writing for the approval of related party transaction. The Board of Directors and the Audit Committee shall control and examine said transactions and provide disclosure within the Note to Financial Statement, Annual Report, and Form 56-1. In addition, the Board and the Committee shall supervise management and related party to comply to Section 59 of the Securities and Securities Exchange Act of BE 2535 relating to Disclosure of Security Holding and the Prohibition of Exploiting Insider Information for Self Interest.

7. Business Ethics

The Board and management have established policy and informed all employees to be conscientious to

perform their duty with honesty, and be responsible to interested parties, the shareholders, and relevant parties consistently.

8. Balance of Voting Power of Non-Executive Directors

The Board of Directors consists of 10 directors broken down into

Executive Directors 6 individuals

Non-Executive Directors - individual

Independent Directors 4 individuals

Non-Executive directors and independent directors combined accounted for 40% of all directors, and provided appropriate check and balance in the management of the company.

9. Combined or Isolated Position

The company has isolated the positions of the Board Chairman, and the Managing Director distinctively with the check and balance provided by independent directors.

10. Compensation for Directors and Management

The company has clear and transparent policy on director compensation at the same level as other companies in the industry and sufficiently high to retain qualified directors with proper approval at the General Shareholders' Meeting. The company has established policy on management compensation at an appropriate level commensurate to duty and responsibility, sufficiently high to provide incentive for management to perform their duty to the highest of their ability.

11. Board of Directors' Meeting

The Board convenes regularly at least quarterly with meeting invitation including information and clear agenda of the meeting delivered to all directors at least 7 days in advance. The company arranges to record minute of the meeting in writing to report the result of the meeting and retains the minute for the Board and relevant parties viewing and examining. During the year 2013, there were 4 Board Meeting with all directors attended in all the meetings.

12. Sub-Committee

The company has formed three sub-committees comprising the Audit Committee, Recruitment and Compensation Committee and Risk Management Committee.

The Audit Committee

The company appointed its Audit Committee on March 2, 2004 with tenor of 3 years. The Audit Committee shall convene its regular meeting and report to the Board of Directors

The Recruitment and Compensation Committee

The Board appointed the Recruitment and Compensation Committee in accordance with its resolutions passed at the Board Meeting 4/2004, dated November 8, 2004, and 1/2004, dated February 25, 2004. The Committee was formed in order to consider recruiting qualified and appropriate individuals to be appointed as executive directors including consideration for an appropriate level of compensation for directors.

The Corporate Governance and Risk Management Committee

The board of directors has appointed new risk management committee in accordance with the resolution of the board of directors No. 5/2011 on November 11, 2011, to formulate the risk management policy of the company in accordance with the policy and strategy of the company and to assess and report the risk possibly incurred to the board of directors of the company

13. System Control and Internal Audit

An Internal Audit Department has been established with help of KPMG Phoomchai was to assist in providing

counsel to rectify weaknesses found in the company's system of internal control, to ensure the company maintains a good system of internal control, and conducting its business in full compliance with the law and regulation relevant to the company.

14. Board of Directors' Report

The Board of Directors is responsible for the consolidated financial statements of the company and its subsidiaries, and financial information presented in the Annual Report. The Board assigned the Audit Committee to review financial statements and related party transaction prior to its presentation. Said financial statements are prepared based on Generally Accepted Accounting Principles in Thailand applying appropriate accounting policy, and adequate disclosure within Notes to Financial Statement.

15. Investor Relation

The board of directors of the company has supervised disclosure of financial and non-financial data and information related to the business and the operating results of the company to ensure accuracy, completeness, sufficiency, consistency and timeliness and to present the position of the operation and actual financial status of the company, including the business prospect of the company through compliance with laws, regulations and requirements related to disclosure of the Office of Securities Exchange Commission and the Stock Exchange of Thailand strictly. In addition to disclosure of information in accordance with the requirements of the Office of Securities Exchange Commission and the Stock Exchange of Thailand, the company has communicated to the shareholders and investors through other channels by the Investor Relations Unit for direct communication with the shareholders, investors and securities analysts in and outside the country while the corporate communication unit will distribute data and information of the company to the shareholders, investors and people through the mass media and other media which have arranged the meeting with the analysts entering into the company in 2014 for 10 times and to participate in the activity "Listed company meeting with investors or Opportunity day" for 1 meeting.

In addition, disclosure of information has been made through the website of the company, www.seafco.co.th so the other stakeholders will be able to learn of information equally. The interested person is able to contact, inquire or ask for information from the Investor Relations Unit of the company, Khun Nutthawan Thasnanipan, Tel. 0-29190090 Fax. 0-29190098 or e-mail : nthasaipan@hotmail.com.

Measure or Approval Procedure for Party-Related Transactions

It is stipulated that any transactions to be made between the Company, its subsidiaries and directors, executives or related persons must be referred to the Board of Directors for approval or approval in principle before conducting such transactions, despite being a normal business item or normal business supportive item with general trade conditions which originally can be approved by the management team without Board approval. Therefore, an approval in principle is required respecting general trade conditions for conducting transactions between the Company, its subsidiaries and directors, executives or related persons, including, but not limited to, property rent item, utility cost item, service charge items, party-related borrowing, raw materials purchase and sale, provided that the general trade conditions should be in the same manner as a due person would treat his general counterparty under the same circumstance, with commercially negotiation power freed from influences derived from holding a directorship or managerial position or being a related person.

Related Party Transaction

During the year 2013, there was related party transaction which might create situation of conflict of interest reported by the Auditor within Note 27, page 30-34 to Financial Statement.

Operating results and financial position

Previous Operating Results

In 2012, the construction sector improved from the important investments in government sector especially investment in mega projects in mass rapid transit around Bangkok metropolitan which the Company was able to secure some parts of blue line and purple line projects. Also, loss from construction work had been recognized as loss already in 2011 and the Company was able to recover the allowance amount of 7.65 million baht. As a result, the Company had 111.54 million baht profit from operating activity.

From the year 2012 to 2013, the construction industry expanded continuously. We undertook construction of high buildings for private companies, MRT construction project in Bangkok and expressway expansion project. However, our works were slightly affected by the political unrest in Bangkok. In the fourth quarter and in 2013, we undertook the construction of electric train green line and Sirat Expressway and received payment of 16.31 from our debtors. As a result, our profit increased to 142 million Baht.

In 2014, the construction industry did not expand further as compared with 2013. (as indicated by the Office of National Economic and Social Development Board). However, the national peace helped us deliver more works than in 2013. As a result, our profit from operation increased by 210 million Baht which is 48% as compared with that of the year 2013.

Market Share

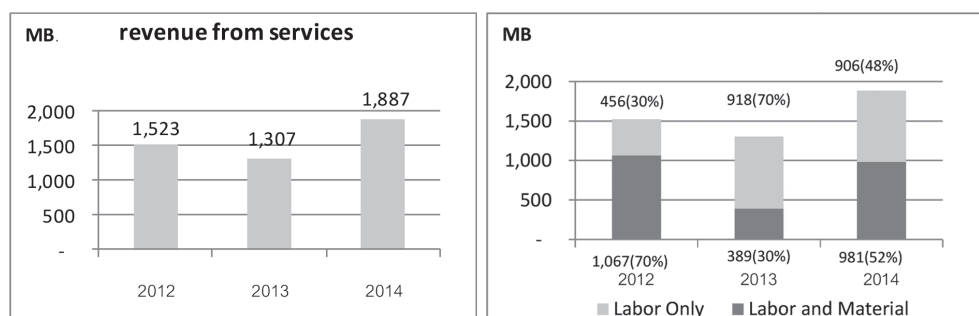
Market share information gathered from Ministry of Commerce information during the past five years is as following

Market share	<u>2011</u>	<u>2012</u>	<u>2013</u>
Market value from research (million baht)	3,861	4,377	5,426
Share of the Company (percent)	28	33	22

Note : The data from the Ministry of Commerce has the year 2013.

There may be discrepancies in our basic incomes because sometimes we get paid lower for labor and machinery or higher for labor, machinery and main materials. From 2011 to 2014, we got paid for only labor at the rate of 25, 30, 70 and 48 per cent respectively; got paid for labor and main materials at the rate of 75, 70, 30 and 52 per cent respectively. In the year that we got paid for a lot of labor and main materials, our incomes would be higher. The values given here are only for a rough guideline.

14.1 Analysis of the operating results



(A) Incomes from the contracted work

Revenues of the Company Group consist of the taking of employments from the work of Bored piling, diaphragm wall, civil work constructions, foundations, soil quality improvements, piling test services, other services and other revenues acquired apart from the operational works: such as, sales of various materials, profits derived from sales of the assets, interest receivable, profits derived from currency exchange rates.

In 2012, the Company group a total revenues of 1,541.83 million Baht as revenue from services 1,523 million Baht consisting of the revenue derived from the work of Bored piling& diaphragm wall to be the rate 67.60%, civil work constructions to be the rate 30.24%, Pile Testing Service Revenue to be the rate 0.14%, and other to be the rate 2.02%

In 2013, the Company group a total revenues of 1,338.29 million Baht as revenue from services 1,307 million Baht consisting of the revenue derived from the work of Bored piling& diaphragm wall to be the rate 89.10%, civil work constructions to be the rate 5.04%, Sub-structure work to be the rate 3.04%, Pile Testing Service Revenue to be the rate 0.12%and other to be the rate 2.70%

Comparing 2013 and 2012, total revenue was decreased by 13.20 percent from revenue from public work reduced by 85.52 percent and 30 percent of the projects taken by the Company included workforce and main materials while 70 percent were projects included only workforce. If the main materials cost was added back, revenue in this part would be higher than 2012.

The incomes in 2014 increased by 44% as compared with that of 2013; labor and main materials increased by 52%; labor only by 48%; due to national peace we managed to deliver works faster than in the year 2013, we earned 97 million Baht from abroad which is 5 per cent of our total incomes in the year 2014.

Revenue from contractual work	2012	2013	2014
From government sector (percent)	55	60	36
From private sector (percent)	45	40	64

From the table of incomes, it can be seen that the works done for government agencies reduced in 2012 and 2013 because most of the electric train project works have been delivered. As a result, we performed work for government agencies and private firms at the rate of 36% and 64% respectively.

(B) Cost of contract work and Administrative Expense

Cost of contractual work

Cost of contractual work includes. The materials used in the construction, wages, fuel cost depreciation and other production costs.

Cost of contractual work in 2012 was amounted to 1,257.60 million baht decreased by 15.17 percent comparing to 1,482.41 million baht in 2011. This was resulted from bore piling and Diaphragm wall work in 2012 included only workforce excluding main materials cost so main materials costs especially concrete and steel were decrease.

Cost of contractual work in 2013 was amounted to 1,057.95 million baht decreased by 15.88 percent comparing to 1,257.59 million baht in 2012. This was resulted from most of contractual work included only workforce excluding main materials cost so main materials costs especially concrete and steel were decrease.

The cost of contractual work was 1,498.12 million Baht in the year 2014 which increased by 1,057.95 million Baht or 41.61% as compared with the year 2013. This increase is due to payment of labor and main materials increased by 52% of total income in 2014 as compared with 30% of total income in 2013. Payment for labor and main materials is higher than payment for labor only.

Sale and Administrative Expenses

Sale and management expenses in 2012 is equal to 89.08 million Baht comparing with that of the year 2011 which is 105.40 million Baht, is decreased by 15.48% from the company can manage and control costs better than last year

Sale and management expenses in 2013 is equal to 83.74 million Baht comparing with that of the year 2012 which is 89.08 million Baht, is decreased by 6.43% from the company can manage and control costs better than last year

In 2014, the sale and administrative expenses of 121.74 million Baht which increased by 45.38% as compared with 83.74 million Baht in 2013. This increase is due to the payment for staff and expenses of administration in Myanmar.

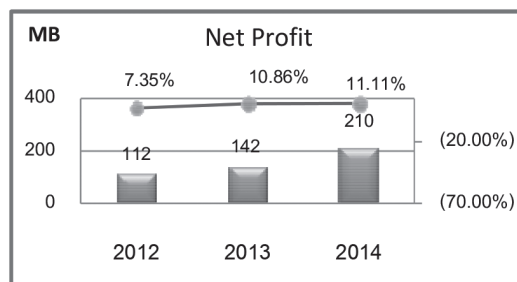
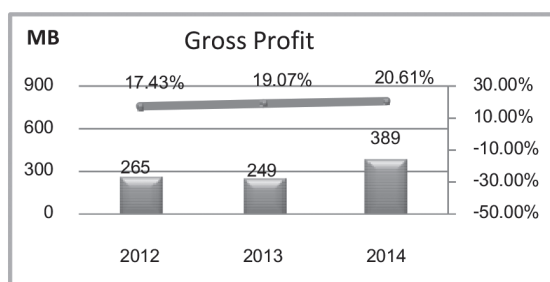
Bad Debt

In 2012, the Company did not set the allowance for doubtful accounts while in 2012, the Company set 9.84 million baht or accounted for 0.63 percent of total revenue from contractual work as an allowance for doubtful accounts. This allowance was set for the overdue more than 12 months and this amount was recovered by 7.65 million baht in 2012.

In 2013, the Company did not set allowance for doubtful accounts but received 15.31 million baht recoverable amount.

In 2014, we allocated 2.8 million Baht for bad debts because payments were 12 months overdue. However, we received 3.89 million Baht as payment for allocated bad debts.

Gross and Net Profit



In 2012, the Company had 265.46 million baht gross profit, increased by 202.55 percent from 2011 of which gross profit was amounted to 87.74 million baht. The Company was able to control its cost and deliver its work better than in 2011. Also, structural work of which gross profit was minimal and loss from some projects had already been recognized as loss in 2011.

In 2013, the Company had 249 million baht gross profit decreased by 6.04 percent comparing to 265 million baht gross profit in 2012. This was resulted from political situation during the fourth quarter in 2013 so the Company could delivery its work less than the previous year.

Our gross profit was 389 million Baht in 2014 and 249 million Baht in 2013; it was an increase of 56%; this increase is due to faster work delivery during the time of national peace as compared with 2013.

In 2012, the Company had 112 million baht comprehensive income increased by 293 percent comparing to (58) million baht loss in 2011. The Company was able to increase its net profit due to the reasons mentioned earlier and as the Company was able to control its cost better.

In 2013, the Company had 142 million baht comprehensive income increased by 27 percent comparing to 112 million baht comprehensive profit in 2011 due to better control of expenses.

Our net profit as 210 million Baht in 2014 and 142 million Baht in 2013; it was an increase of 48%; this increase is due to faster work delivery and incomes from overseas.

Investment in machinery

Investment in machinery is to support production capability. In 2013, the Company invested 59.27 million baht, 63.86 million baht in 2012 and 20.71 million baht in 2011 respectively in machineries related to bore piling and Diaphragm wall work in order to replace deteriorated ones.

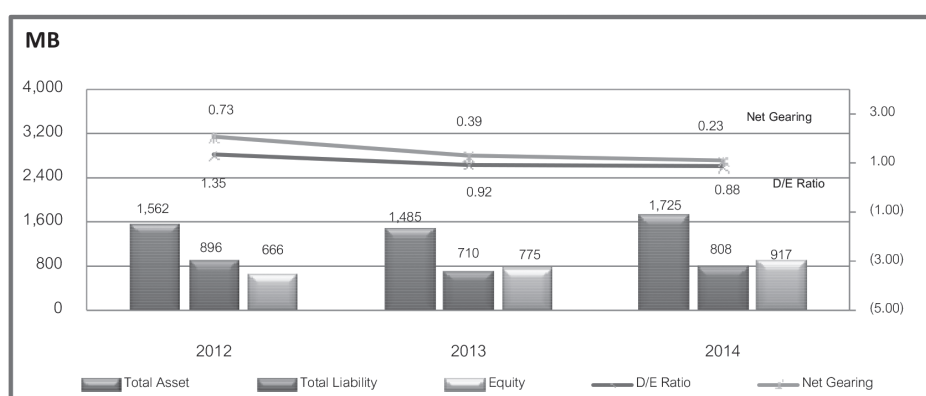
We invested 81.60 million Baht in the purchase of new cranes. We sent old cranes to work in Myanmar. The new cranes will replace the old ones.

Shareholders' Returns

Our shareholders' returns were 18% in 2013 and 17% in 2012; it was an increase of 5.89%; this increase is due to higher net profit. Our shareholders' returns were 22% in 2014 and 18% in 2013; it was an increase of 22%; this increase is due to higher net profit.

14.2 Analysis of Financial Status

14.2.1 Total Assets and Liabilities



Asset

Total assets in 2012, 2013 and 2014 were equal to 1,562 million baht, 1,485 million baht and 1,725 million baht.

The amount of total assets in 2012 and 2013; the amount was slightly decreased to 77 million baht as the company was able to collect the payment from retention and trade account receivables as well as receiving withholding tax from the Revenue Department. These reasons had resulted in the amount of assets to decrease.

Our assets increased by 240 million Baht in 2014 as compared with 2013: our current assets increased by 225 million Baht due to temporary investment of 100 million Baht; and increase by 100 million Baht due to account receivable; and increase by 25 million Baht due to higher sale as compared with 2012; and increase by 15 million Baht due to higher inventory and fixed assets in 2014 as compared with 2013. Overview of the increase: a lot of performance bonds were released as we delivered more works as compared with 2013.

Liquidity

Our total liabilities were 896 million, 710 million Baht and 808 million Baht in 2012, 2013 and 2014 respectively. The increase or decrease was mainly due to account payable or account receivable in proportion of the volumes of contracted works. In the year when payment for labor and main materials is high the account payable will be higher. In the year when payment for labor only is high the account payable will be lower.

Long-Term Liabilities

Long term loan was 35.70 million Baht, 20.51 million Baht and 23.50 million Baht in 2012, 2013 and 2014 respectively. We bought machinery for replacement of machinery in bad conditions and those sent to do work in Myanmar. We take out long term loans from financial institutions.

Shareholders' Equity

Shareholders' equity was 666 million Baht, 775 million Baht and 916 million Baht in 2012, 2013 and 2014 respectively. It increases every year due to continuous profit from work performance.

Liquidity

Our D/E ratio was 1.35, 0.92 and 0.88 in 2012, 2013 and 2014 respectively. We have an agreement with a financial institution that our D/E ratio shall not be higher than 1.50. Net gearing was 0.73, 0.39 and 0.23 in 2012, 2013 and 2014 respectively. These figures show that we have liquidity.

Source of Capital

In 2013, the Company's Group had total liabilities of Baht 710.27 million, which consist of current liabilities of Baht 625.96 million and long-term liabilities of Baht 84.31 million. This figure decreased from the year 2012, total liabilities of Baht 896.47 million, which consist of current liabilities of Baht 789.23 million and long-term liabilities of Baht 107.24 million.

In 2014 we had total liabilities of 808.08 million Baht: current liabilities of 723.29 million Baht and long-term loans of 84.79 million Baht; the figures increased as compared with previous year. In 2013, we had total liabilities of 710.27 million Baht: current liabilities of 625.96 million Baht and long-term loans of 84.31 million Baht.

Financial institutions and account payable are still our sources of working capital.



Audit Fee (Remuneration for Audit and Review of Financial Statements)

As at December 31, 2013 and 2014. The company and its subsidiaries paid audit fee as follow:

Companies	Audit's name	Audit's Fee 2013	Audit's Fee 2014
Seafco Public Company Limited	Mrs. Suvimol Krittayakiern	1,300,000	1,360,000
Seafco Construction Co., Ltd	Mrs. Suvimol Krittayakiern	110,000	110,000
Seafco Intertrade Co.,Ltd.	Mrs. Suvimol Krittayakiern	-	220,000
Seafco & Prayoonchai (1984) Joint Venture	Mrs. Suvimol Krittayakiern	60,000	60,000
Srinakarin Joint Venture	Mrs. Suvimol Krittayakiern	85,000	85,000
Total		1,555,000	1,835,000

Report on responsibility of the board of directors on the financial reports

The board of directors of Seafco Public Company Limited is responsible for the financial statements and the consolidated financial statements of the company and its subsidiaries, including the financial information shown in the annual reports, such financial statements have been made in accordance with generally accepted accounting standards through election of the appropriate accounting policies in a consistent manner with careful judgment and best approximation to prepare the financial statements and the company has the suitable internal control system and the risk management system to ensure that the accounting information is accurate, complete with sufficient disclosure in notes to financial statements beneficial to the shareholders and other investors in a transparent manner.

In this regard, the board of directors has appointed the audit committee to review the accounting policies and quality of the financial reports, internal control system and internal audit system, including the risk management system while the opinion of the audit committee related to such matters has been provided in the report of the audit committee in the annual report.

The financial statements and the consolidated financial statements of the company and its subsidiaries have been examined by the auditor of the company, D.I.A. International Auditing Co., Ltd. and the opinion of the auditor has been expressed in accordance with the auditing standards in the auditor's report in the annual report.

The board of directors has an opinion that the overall internal control system of the company is in a satisfactory level and is able to reasonable ensure that the financial statements and the consolidated financial statements of Seafco Public Company Limited and its subsidiaries for the year ended 31 December 2014 are reliable for compliance with generally accepted accounting standards and in compliance with the related laws, regulations and rules.



(Assoc Prof. Dr. Somjai Phagaphasvivat)
Chairman of the Board



(Mr. Narong Thasnanipan)
President and Chairman of the Executive Board

Report of the Audit Committee

Dear Shareholders,

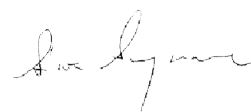
The Audit Committee comprises 3 independent directors with the qualifications as set forth by SEC and SET: Mr. Siwa Sangmanee, the Chairman; Mr. Somkuan Watakeekul and Mr. Somkual Musig-In, members.

The Audit Committee performs their duties as assigned by the Board of Directors, subject to SET's regulations, with cooperation of the management. They held 4 meetings with the licensed auditor and internal auditor without the executives or the management being present; the meeting deals with the notes made by the licensed auditor on the review of financial statements. At the meeting, the Director of Internal Audit Department reviewed that internal audit report. At the time of dealing with financial statements and risk management, the Assistant Managing Director was invited to answer questions and offer explanations.

Summary of results of operation and views of the Audit Committee:

- **Review of financial report of the year 2014** with the licensed auditor and Director of the Internal Audit Department: The financial report is prepared according to the recognized accounting standard; essential details are properly disclosed as noted by the licensed auditor.
- **Review of internal control and audit with the Internal Audit Department:** The internal control is efficient enough. Certain transactions require approval. The Internal Audit Department independently conducts the internal audit systematically to cover all matters set forth in the audit plan.
- **Appointment of auditor and fixing of audit fee:** Mrs. Suvimol Kritayakien or Miss. Somjintana Polhiranrat or Miss Supaporn Mangjit of DIA International Co., Ltd. are nominated as auditor for the approval of shareholders meeting.
- **Review of compliance with regulations of SEC and SET and applicable laws:** The company strictly complies with all the regulations and laws.
- **Review of risk management with the Risk Management Committee Chairman:** Suggestions on proper management of risks are given.
- **Disclosure of information on intercompany transactions or transactions which may create conflict of interests:** Essential facts are fully and properly disclosed in the notes of financial statements in strict compliance with the regulations of SET and SEC.

After performing their duties independently, the Audit Committee are of the opinion that the company has a good governance practice, proper risk management and foolproof internal control system.



(Mr. Siwa Sangmanee)

Chairman of the Audit Committee

23 February 2015

The report of the auditors and financial statements.

AUDITOR'S REPORT

To The Shareholders of

SEAFKO PUBLIC COMPANY LIMITED

I have audited the accompanying consolidated and separate financial statements of SEAFKO PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of SEAFKO PUBLIC COMPANY LIMITED, which comprise consolidated and separate statements of financial position as at December 31, 2014, consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the year then ended, including notes of summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with 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 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 present fairly, in all material respects, the consolidated and separate financial position of SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of SEAFCO PUBLIC COMPANY LIMITED as at December 31, 2014, and their financial performance and cash flows for the year then ended in accordance with the financial reporting standards.

D I A International Audit Co., Ltd.



(Mrs. Suvimol Krittayakiern)

C.P.A. (Thailand)

Registration No. 2982

February 26, 2015

SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2014

Assets	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2014	2013	2014	2013
Current assets					
Cash and cash equivalents	6	26,827,054.35	18,668,052.04	8,031,826.87	7,281,810.02
Current investment	7	100,325,435.59	0.00	100,325,435.59	0.00
Trade and other receivables	8	395,755,445.10	294,026,020.26	352,347,694.10	224,485,770.11
Unbilled receivable		248,715,237.51	267,998,884.54	220,035,320.35	253,829,894.60
Prepayment for wages and goods acquisition		10,022,329.80	2,548,388.07	2,912,789.16	2,431,140.23
Short-term loan to subsidiaries		0.00	0.00	0.00	7,500,000.00
Inventories	9	99,243,360.39	72,180,943.09	96,782,687.42	72,171,412.05
Total current assets		880,888,862.74	655,422,288.00	780,435,753.49	567,700,027.01
Non-current assets					
Pledged bank deposits	10	79,302,812.10	86,865,212.64	75,373,927.03	83,012,383.50
Investment in subsidiaries	11	0.00	0.00	7,499,850.00	7,499,850.00
Other long-term investments		5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00
Investment properties	12	26,150,681.08	26,150,681.08	26,150,681.08	26,150,681.08
Property, plant and equipment	13	516,293,293.70	529,583,548.45	510,107,682.00	526,771,235.32
Deferred tax assets	14	14,416,827.78	16,959,128.05	14,416,827.78	16,959,128.05
Retentions receivable	15	185,176,203.41	123,132,720.42	172,004,337.49	113,432,352.22
Income tax deducted at source		15,879,920.84	40,296,753.22	10,570,658.51	36,047,254.37
Other non-current assets		1,947,400.00	1,502,950.00	1,947,400.00	1,502,950.00
Total non-current assets		844,167,138.91	829,490,993.86	823,071,363.89	816,375,834.54
Total assets		1,725,056,001.65	1,484,913,281.86	1,603,507,117.38	1,384,075,861.55

Notes to financial statements are parts of these financial statements.

SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (Continued)
AS AT DECEMBER 31, 2014

Liabilities and shareholders' equity	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2014	2013	2014	2013
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	16	44,245,482.84	82,655,407.69	44,245,482.84	82,655,407.69
Trade and other payables		388,621,608.80	221,773,398.57	347,051,933.85	186,275,987.57
Amount received in advance under agreement		89,510,626.46	71,160,607.49	63,855,565.10	56,462,999.24
Retentions payable - contractor		31,369,194.70	34,750,973.59	15,883,163.66	18,973,121.11
Current portion of long-term liabilities	17	40,617,659.98	49,504,360.08	40,617,659.98	49,504,360.08
Short-term loans	18	105,000,000.00	142,500,000.00	105,000,000.00	135,000,000.00
Short-term provisions		21,580,992.11	23,322,135.25	21,580,992.11	22,822,057.36
Corporate income tax payable		2,344,313.85	289,398.40	965,552.67	0.00
Total current liabilities		723,289,878.74	625,956,281.07	639,200,350.21	551,693,933.05
Non-current liabilities					
Long-term loans	19	23,500,070.00	20,514,070.00	23,500,070.00	20,514,070.00
Financial lease liabilities	20	19,817,362.15	22,888,072.19	19,817,362.15	22,888,072.19
Deferred tax liabilities	14	10,613,152.68	14,109,143.77	10,613,152.68	14,109,143.77
Employee benefit obligations	21	30,863,644.00	26,802,421.00	30,863,644.00	26,802,421.00
Total non-current liabilities		84,794,228.83	84,313,706.96	84,794,228.83	84,313,706.96
Total liabilities		808,084,107.57	710,269,988.03	723,994,579.04	636,007,640.01

Notes to financial statements are parts of these financial statements.

SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (Continued)
AS AT DECEMBER 31, 2014

Liabilities and shareholders' equity (Cont'd)	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2014	2013	2014	2013
Shareholders' equity					
Share capital					
Authorized share capital					
291,124,377 common shares					
of Baht 1 each	22	291,124,377.00		291,124,377.00	
333,250,000 common shares					
of Baht 1 each	22		333,250,000.00		333,250,000.00
Issued and paid-up share capital					
291,110,727 common shares					
of Baht 1 each	22	291,110,727.00		291,110,727.00	
268,730,194 common shares					
of Baht 1 each	22		268,730,194.00		268,730,194.00
Premium on share capital		164,000,000.00	164,000,000.00	164,000,000.00	164,000,000.00
Retained earnings					
Appropriated - Legal reserve	23	29,112,437.70	28,384,511.04	29,112,437.70	28,384,511.04
Unappropriated	24	418,945,685.97	299,202,147.99	395,289,373.64	286,953,516.50
Other components of equity		285,651.90	52,839.96	0.00	0.00
Total owners of the Company		903,454,502.57	760,369,692.99	879,512,538.34	748,068,221.54
Non-controlling interest		13,517,391.51	14,273,600.84	0.00	0.00
Total shareholders' equity		916,971,894.08	774,643,293.83	879,512,538.34	748,068,221.54
Total liabilities and shareholders' equity		1,725,056,001.65	1,484,913,281.86	1,603,507,117.38	1,384,075,861.55

Notes to financial statements are parts of these financial statements.

SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2014

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2014	2013	2014	2013
Hire of work income		1,861,323,323.91	1,304,939,563.73	1,787,059,247.29	1,253,777,652.83
Sales of materials and services		25,784,285.48	2,375,076.64	25,784,285.48	2,804,902.27
Total revenues		1,887,107,609.39	1,307,314,640.37	1,812,843,532.77	1,256,582,555.10
Cost of hire of work, sales of materials and services		(1,498,119,448.03)	(1,057,949,009.89)	(1,447,742,596.40)	(1,013,860,240.07)
Gross profit		388,988,161.36	249,365,630.48	365,100,936.37	242,722,315.03
Other income					
Reversed doubtful accounts		3,892,604.73	15,315,384.62	3,892,604.73	15,315,384.62
Others		12,281,483.63	15,668,091.96	11,542,174.29	15,105,895.48
Administrative expenses		(121,746,404.03)	(83,736,849.33)	(111,543,319.12)	(82,576,339.21)
Finance costs		(16,130,405.19)	(23,822,157.84)	(15,853,007.92)	(22,767,557.19)
Profit before income tax		267,285,440.50	172,790,099.89	253,139,388.35	167,799,698.73
Income tax expenses	25	(57,719,574.53)	(33,515,195.14)	(54,080,093.89)	(32,789,173.09)
Profit for the year		209,565,865.97	139,274,904.75	199,059,294.46	135,010,525.64
Other comprehensive income:					
Exchange differences on translating financial statements		232,811.94	52,839.96	0.00	0.00
Acuarial gain		0.00	3,349,618.99	0.00	3,349,618.99
Related income tax		0.00	(669,923.88)	0.00	(669,923.88)
Total comprehensive income for the year		209,798,677.91	142,007,439.82	199,059,294.46	137,690,220.75

Notes to financial statements are parts of these financial statements.

SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2014

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2014	2013	2014	2013
Profit (loss) attributable to:					
Owners of the Company		210,466,975.30	138,224,112.25	199,059,294.46	135,010,525.64
Non-controlling interests		(901,109.33)	1,050,792.50	0.00	0.00
		<u>209,565,865.97</u>	<u>139,274,904.75</u>	<u>199,059,294.46</u>	<u>135,010,525.64</u>
Total comprehensive income attributable to:					
Owners of the Company		210,699,787.24	140,956,647.32	199,059,294.46	137,690,220.75
Non-controlling interests		(901,109.33)	1,050,792.50	0.00	0.00
		<u>209,798,677.91</u>	<u>142,007,439.82</u>	<u>199,059,294.46</u>	<u>137,690,220.75</u>
Earnings per share					
Basic earnings per share	26	0.72	0.48	0.68	0.47
Averaged number of common shares	26	291,110,727	291,110,727	291,110,727	291,110,727

Notes to financial statements are parts of these financial statements.

SEAFKO PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2014

(Unit : Baht)

	Consolidated financial statements								
	Note	Owners of the Company						Non-controlling interests	Total shareholders' equity
		Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity	Owners of the Company		
				Appropriated Legal reserve	Unappropriated				
22 , 24	Balance as at December 31, 2013	268,730,194.00	164,000,000.00	28,384,511.04	299,202,147.99	52,839.96	760,369,692.99	14,273,600.84	774,643,293.83
	Changes in shareholders' equity for the year 2014:								
	Share capital	0.00	0.00	0.00	0.00	0.00	0.00	144,900.00	144,900.00
	Total comprehensive income for the year	0.00	0.00	0.00	210,466,975.30	232,811.94	210,699,787.24	(901,109.33)	209,798,677.91
	Dividend paid by cash and ordinary shares	22,380,533.00	0.00	0.00	(49,240,288.88)	0.00	(26,859,755.88)	0.00	(26,859,755.88)
	Interim dividend paid	0.00	0.00	0.00	(40,755,221.78)	0.00	(40,755,221.78)	0.00	(40,755,221.78)
	Legal reserve	0.00	0.00	727,926.66	(727,926.66)	0.00	0.00	0.00	0.00
	Balance as at December 31, 2014	291,110,727.00	164,000,000.00	29,112,437.70	418,945,685.97	285,651.90	903,454,502.57	13,517,391.51	916,971,894.08
	Balance as at December 31, 2012	215,000,000.00	164,000,000.00	21,500,000.00	241,879,710.56	0.00	642,379,710.56	13,222,658.34	655,602,368.90
	Effect of adoption the new accounting policy-income taxes	0.00	0.00	0.00	9,868,390.25	0.00	9,868,390.25	0.00	9,868,390.25
5	Balance as at January 1, 2013 – after restatement	215,000,000.00	164,000,000.00	21,500,000.00	251,748,100.81	0.00	652,248,100.81	13,222,658.34	665,470,759.15
	Changes in shareholders' equity for the year 2013 :								
	Ordinary shares decrease	0.00	0.00	0.00	0.00	0.00	0.00	150.00	150.00
	Total comprehensive income for the year	0.00	0.00	0.00	140,903,807.36	52,839.96	140,956,647.32	1,050,792.50	142,007,439.82
	Dividend paid by cash and ordinary shares	53,730,194.00	0.00	0.00	(59,700,252.24)	0.00	(5,970,058.24)	0.00	(5,970,058.24)
	Interim dividend paid	0.00	0.00	0.00	(26,864,996.90)	0.00	(26,864,996.90)	0.00	(26,864,996.90)
24	Legal reserve	0.00	0.00	6,884,511.04	(6,884,511.04)	0.00	0.00	0.00	0.00
	Balance as at December 31, 2013	268,730,194.00	164,000,000.00	28,384,511.04	299,202,147.99	52,839.96	760,369,692.99	14,273,600.84	774,643,293.83

Notes to financial statements are parts of these financial statements.

SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2014

(Unit : Baht)

		Separate financial statements				
		Issued and paid-up share capital	Premium on share capital	Retained earnings		Total shareholders' equity
				Appropriated Legal reserve	Unappropriated	
Balance as at December 31, 2013		268,730,194.00	164,000,000.00	28,384,511.04	286,953,516.50	748,068,221.54
Changes in shareholders' equity for the year 2013 :						
Total comprehensive income for the year		0.00	0.00	0.00	199,059,294.46	199,059,294.46
Dividend paid by cash and ordinary shares	22, 24	22,380,533.00	0.00	0.00	(49,240,288.88)	(26,859,755.88)
Interim dividend paid	24	0.00	0.00	0.00	(40,755,221.78)	(40,755,221.78)
Legal reserve		0.00	0.00	727,926.66	(727,926.66)	0.00
Balance as at December 31, 2014		291,110,727.00	164,000,000.00	29,112,437.70	395,289,373.64	879,512,538.34
Balance as at December 31, 2012		215,000,000.00	164,000,000.00	21,500,000.00	232,844,665.68	633,344,665.68
Effect of adoption the new accounting policy-income taxes	5	0.00	0.00	0.00	9,868,390.25	9,868,390.25
Balance as at January 1, 2013						
- after restatement		215,000,000.00	164,000,000.00	21,500,000.00	242,713,055.93	643,213,055.93
Changes in shareholders' equity for the year 2013 :						
Total comprehensive income for the year		0.00	0.00	0.00	137,690,220.75	137,690,220.75
Dividend paid by cash and ordinary shares	22, 24	53,730,194.00	0.00	0.00	(59,700,252.24)	(5,970,058.24)
Interim dividend paid	24	0.00	0.00	0.00	(26,864,996.90)	(26,864,996.90)
Legal reserve		0.00	0.00	6,884,511.04	(6,884,511.04)	0.00
Balance as at December 31, 2013		268,730,194.00	164,000,000.00	28,384,511.04	286,953,516.50	748,068,221.54

Notes to financial statements are parts of these financial statements.

SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit before income tax	267,285,440.50	172,790,099.89	253,139,388.35	167,799,698.73
Adjustment				
Depreciation	92,472,668.26	86,975,117.34	90,793,350.06	86,560,690.33
Doubtful accounts	2,882,458.49	0.00	2,882,458.49	0.00
Reversed doubtful accounts	(3,892,604.73)	(15,315,384.62)	(3,892,604.73)	(15,315,384.62)
Unrealized gain on changes in investment value	(325,435.59)	0.00	(325,435.59)	0.00
(Increase) Decrease in unbilled receivable	19,283,647.03	(10,585,970.36)	33,794,574.25	(31,360,714.53)
Allowance for defective materials	8,100,000.00	0.00	8,100,000.00	0.00
Amortized prepayment expense	4,511,668.91	3,262,481.56	3,522,553.97	3,132,551.12
Amortized withholding tax	947,557.85	168,799.12	947,557.85	168,799.12
Unrealized loss on exchange rate	5,289.50	48,721.36	5,289.50	48,721.36
Gain on disposal of fixed assets	(96,387.57)	(2,832,865.06)	(96,387.57)	(2,832,865.06)
Loss on write-off of fixed assets	389,106.78	1,162,586.73	389,106.78	1,162,586.73
Increase (Decrease) in short-term provisions	(1,741,143.14)	90,188.76	(1,241,065.25)	1,642,591.66
Increase (Decrease) in employee benefit provisions	4,061,223.00	2,697,162.00	4,061,223.00	2,697,162.00
Interest expenses	16,130,405.19	23,822,157.84	15,853,007.92	22,767,557.19
	410,013,894.48	262,283,094.56	407,933,017.03	236,471,394.03
(Increase) Decrease of changes in operating assets				
Trade and other receivables	(105,877,583.63)	23,701,172.05	(130,733,371.55)	11,600,912.98
Prepayment for wages and acquire of goods	(7,473,941.73)	4,493,530.92	(481,648.93)	1,963,017.80
Inventories	(35,162,417.30)	5,759,104.08	(32,711,275.37)	2,945,951.42
Retentions receivable	(62,043,482.99)	40,963,286.15	(58,571,985.27)	36,253,965.69
Other non-current assets	(444,450.00)	561,696.00	(444,450.00)	561,696.00

Notes to financial statements are parts of these financial statements.

SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2014

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Increase (Decrease) of changes in operating liabilities				
Trade and other payables	201,559,704.26	(84,291,501.66)	194,856,327.30	(23,313,174.12)
Advances received under agreement	18,350,018.97	50,066,564.18	7,392,565.86	35,368,955.93
Retentions payable - contractor	(3,381,778.89)	(2,550,974.99)	(3,089,957.45)	(4,536,697.60)
Cash generated (paid) from operation	415,539,963.17	300,985,971.29	384,149,221.62	297,316,022.13
Interest paid	(16,432,067.41)	(22,834,636.15)	(15,523,557.13)	(22,431,148.51)
Income tax received (paid)	(32,819,970.00)	200,094.44	(29,539,194.03)	2,850,345.96
Net cash provided by (used in) operating activities	366,287,925.76	278,351,429.58	339,086,470.46	277,735,219.58
Cash flows from investing activities				
Increase in current investment	(100,000,000.00)	0.00	(100,000,000.00)	0.00
Increase in short-term loan to subsidiary	0.00	0.00	7,500,000.00	(7,500,000.00)
(Increase) decrease in pledged bank deposits	7,562,400.54	13,758,177.04	7,638,456.47	13,448,829.25
Payments for investment in subsidiary	0.00	0.00	0.00	(2,499,850.00)
Payments for investment properties	0.00	(221,500.00)	0.00	(221,500.00)
Payments for fixed assets acquisition	(97,845,195.56)	(76,330,008.40)	(92,792,578.79)	(75,205,218.77)
Proceeds from sales of fixed assets	291,163.09	5,727,751.85	291,163.09	5,727,751.85
Net cash provided by (used in) investing activities	(189,991,631.93)	(57,065,579.51)	(177,362,959.23)	(66,249,987.67)
Cash flows from financing activities				
Increase (Decrease) in bank overdrafts and short-term loans from financial institutions	(38,409,924.85)	(172,432,577.20)	(38,409,924.85)	(160,732,577.20)
Increase (Decrease) in short-term loans	(37,500,000.00)	39,500,000.00	(30,000,000.00)	32,000,000.00
Increase (Decrease) in long-term loans	2,186,000.00	(10,868,930.00)	2,186,000.00	(10,868,930.00)
Payments for financial lease liabilities	(27,134,591.87)	(43,012,165.05)	(27,134,591.87)	(43,012,165.05)
Cash dividend paid	(67,614,977.66)	(32,835,055.14)	(67,614,977.66)	(32,835,055.14)
Proceeds from non-controlling interests	144,900.00	150.00	0.00	0.00
Net cash provided by (used in) financing activities	(168,328,594.38)	(219,648,577.39)	(160,973,494.38)	(215,448,727.39)
Effects on translating financial statements	191,302.86	60,638.12	0.00	0.00
Net increase (decrease) in cash and cash equivalents	8,159,002.31	1,697,910.80	750,016.85	(3,963,495.48)
Cash and cash equivalents as at January 1	18,668,052.04	16,970,141.24	7,281,810.02	11,245,305.50
Cash and cash equivalents as at December 31	26,827,054.35	18,668,052.04	8,031,826.87	7,281,810.02

Notes to financial statements are parts of these financial statements.

SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2014

1. GENERAL INFORMATION

- 1.1 The Company was registered as a company limited on December 19, 1974 with registration No.1385/2517. On March 18, 2004, the Company has changed its status to public company limited with registration No. 0107547000257 (formerly No. 0107574700255).
- 1.2 The Company is located at 144 Prayasuren Road, Bangchan, Khlong Sam Wah, Bangkok 10510.
- 1.3 The Company engaged in business of the contractor of foundation and general public works.

2. BASIS OF FINANCIAL STATEMENTS PREPARATION AND PRESENTATION

2.1 Presentation of financial statements

The financial statements have been prepared in conformity with the financial reporting standards, enunciated under the Accounting Professions Act B.E. 2547 and presented in accordance with the notification of Department of Business Development by Ministry of Commerce dated September 28, 2011 regarding the condensed form should be included in the financial statements B.E. 2554 and in accordance with the regulations of the Securities and Exchange Commission regarding the preparation and presentation of financial reporting under the Securities and Exchange Act B.E. 2535. The financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

2.2 Accounting standards and financial reporting standards that are mandatorily effective in the current year

The Federation of Accounting Professions issued accounting standards, financial reporting standards, standing interpretations committee and financial reporting interpretations committee which are expected to be effective for the financial statements beginning on or after January 1, 2014 as detailed below :

Accounting Standards

- TAS 1 (Revised 2012) Presentation of Financial Statements
- TAS 7 (Revised 2012) Statement of Cash Flows
- TAS 12 (Revised 2012) Income Taxes
- TAS 17 (Revised 2012) Leases

Accounting Standards

- TAS 18 (Revised 2012) Revenue
- TAS 19 (Revised 2012) Employee Benefits
- TAS 21 (Revised 2012) The Effects of Changes in Foreign Exchange Rate
- TAS 24 (Revised 2012) Related Party Disclosures
- TAS 28 (Revised 2012) Investments in Associates
- TAS 31 (Revised 2012) Interests in Joint Venture
- TAS 34 (Revised 2012) Interim Financial Reporting
- TAS 36 (Revised 2012) Impairment of Assets
- TAS 38 (Revised 2012) Intangible Assets

Financial Reporting Standards

- TFRS 2 (Revised 2012) Share - Based Payments
- TFRS 3 (Revised 2012) Business Combinations
- TFRS 5 (Revised 2012) Non-current Held for Sale and Discontinued Operations
- TFRS 8 (Revised 2012) Operating Segments

Standing Interpretations Committee

- TSIC 15 Operating Leases - Incentives
- TSIC 27 Evaluating the Substance of Transactions Involving the Legal form of a Lease
- TSIC 29 Service Concession Arrangements Disclosures
- TSIC 32 Intangible Assets - Web Site Costs

Financial Reporting Interpretations Committee

- TFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities
- TFRIC 4 Determining whether an Arrangement contains a Lease
- TFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds

Financial Reporting Interpretations Committee

- TFRIC 7 Applying the Restatement Approach under TAS 29 *Financial Reporting in Hyperinflationary Economies*
- TFRIC 10 Interim Financial Reporting and Impairment
- TFRIC 12 Service Concession Arrangements
- TFRIC 13 Customers Loyalty Programmes
- TFRIC 17 Distribution of Non-cash Assets to Owners
- TFRIC 18 Transfers of Assets from Customers

The above accounting standards, financial reporting standards, standing interpretations committee and financial reporting interpretations committee will have no significantly impacts on these financial statements.

2.3 Financial reporting standards in issue but not yet effective

The Company has not adopted the following new and revised TFRS that have been issued as at the reporting date but are not yet effective. The new and revised TFRS are expected to become effective for annual financial statements period beginning on or after 1 January in the year indicated following :

<u>Financial Reporting Standards</u>	<u>Contents</u>	<u>Effective year</u>
	Conceptual Framework for Financial Reporting (Revised 2014)	2015
<u>Accounting Standards</u>		2015
TAS 1 (Revised 2014)	Presentation of Financial Statements	2015
TAS 2 (Revised 2014)	Inventories	2015
TAS 7 (Revised 2014)	Statement of Cash Flows	2015
TAS 8 (Revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors	2015
TAS 10 (Revised 2014)	Events After the Reporting Period	2015

	<u>Contents</u>	<u>Effective year</u>
<u>Accounting Standards</u>		
TAS 11 (Revised 2014)	Construction Contracts	2015
TAS 12 (Revised 2014)	Income Taxes	2015
TAS 16 (Revised 2014)	Property, Plant and Equipment	2015
TAS 17 (Revised 2014)	Leases	2015
TAS 18 (Revised 2014)	Revenue	2015
TAS 19 (Revised 2014)	Employee Benefits	2015
TAS 20 (Revised 2014)	Accounting for Government Grants and Disclosure of Government Assistance	2015
TAS 21 (Revised 2014)	The Effects of Changes in Foreign Exchange Rates	2015
TAS 23 (Revised 2014)	Borrowing Costs	2015
TAS 24 (Revised 2014)	Related Party Disclosures	2015
TAS 26 (Revised 2014)	Accounting and Reporting by Retirement Benefit Plans	2015
TAS 27 (Revised 2014)	Separate Financial Statements	2015
TAS 28 (Revised 2014)	Investments in Associates and Joint Venture	2015
TAS 29 (Revised 2014)	Financial Reporting in Hyperinflationary Economics	2015
TAS 33 (Revised 2014)	Earnings per Share	2015
TAS 34 (Revised 2014)	Interim Financial Reporting	2015
TAS 36 (Revised 2014)	Impairment of Assets	2015
TAS 37 (Revised 2014)	Provisions, Contingent Liabilities and Contingent Assets	2015
TAS 38 (Revised 2014)	Intangible Assets	2015
TAS 40 (Revised 2014)	Investment Property	2015
<u>Financial Reporting Standards</u>		
TFRS 2 (Revised 2014)	Share-Based Payments	2015
TFRS 3 (Revised 2014)	Business Combinations	2015
TFRS 4 (Revised 2014)	Insurance Contracts	2015
TFRS 5 (Revised 2014)	Non-current Assets Held for Sale and Discontinued Operations	2015
TFRS 6 (Revised 2014)	Exploration for and Evaluation of Mineral Resources	2015
TFRS 8 (Revised 2014)	Operating Segments	2015
TFRS 10	Consolidated Financial Statements	2015
TFRS 11	Joint Arrangements	2015
TFRS 12	Disclosure of Interests in Other Entities	
TFRS 13	Fair Value Measurement	2015

	<u>Contents</u>	<u>Effective year</u>
<u>Standing Interpretations Committee</u>		
TSIC 10 (Revised 2014)	Government Assistance - No Specific Relation to Operating Activities	2015
TSIC 15 (Revised 2014)	Operating Leases - Incentives	2015
TSIC 25 (Revised 2014)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders	2015
TSIC 27 (Revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	2015
TSIC 29 (Revised 2014)	Service Concession Arrangements: Disclosures	2015
TSIC 31 (Revised 2014)	Revenue - Barter Transactions Involving Advertising Services	2015
TSIC 32 (Revised 2014)	Intangible Assets - Web Site Costs	2015
<u>Financial Reporting Interpretations Committee</u>		
TFRIC 1 (Revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2015
TFRIC 4 (Revised 2014)	Determining Whether an Arrangement Contains a Lease	
TFRIC 5 (Revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	2015
TFRIC 7 (Revised 2014)	Applying the Restatement Approach under TAS 29 (<i>revised 2014</i>) <i>Financial Reporting in Hyperinflationary Economies</i>	2015
TFRIC 10 (Revised 2014)	Interim Financial Reporting and Impairment	2015
TFRIC 12 (Revised 2014)	Service Concession Arrangements	2015
TFRIC 13 (Revised 2014)	Customer Loyalty Programmes	2015
TFRIC 14	The Limit on a Defined Benefit Asset, Funding Requirements and their Interaction for TAS 19 <i>Employee Benefits</i>	2015
TFRIC 15 (Revised 2014)	Agreements for the Construction of Real Estate	2015
TFRIC 17 (Revised 2014)	Distributions of Non - cash Assets to Owners	2015
TFRIC 18 (Revised 2014)	Transfers of Assets from Customers	2015
TFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	2015

The management expects that the Company will apply and adopt the issued and revised financial reporting standards in accordance with the notification of the Federation of Accounting Professions and is being evaluated the effect of those issued and revised financial reporting standards on the Company's financial statements which expected that they will have no significantly impacts on the financial statements in the year in which they are initially applied.

3. CONSOLIDATED FINANCIAL STATEMENTS PREPARATION BASIS

3.1 The consolidated financial statements have been prepared by including the financial statements of its subsidiaries and joint venture (under proportionate consolidated method) in which Seafco Public Company Limited has ability to control in making financial and operating decisions up to the controllable is ceased as below:

	Country	Percentage of shareholding %		Type of Business
		2014	2013	
<u>Subsidiaries</u>				
Seafco Constructions Co., Ltd.	Thailand	50	50	Construction contractual
Seafco Intertrade Co., Ltd.	Thailand	99.99	99.99	Construction contractual
Seafco (Myanmar) Co., Ltd. (held by Seafco Intertrade Co., Ltd.at 90%)	Myanmar	90	90	Construction contractual
<u>Joint Venture</u>				
Srinakarin Joint Venture	Thailand	30	30	Construction contractual
Seafco Co., Ltd. and Prayoonchai (1984) Co., Ltd. Joint Venture	Thailand	45	45	Construction contractual

3.2 The financial statements of subsidiary in which established in an oversea, have been converted into Baht by using the exchange rates ruling as at the statements of financial position date for assets and liabilities or monthly averaged of exchange rates for income and expenses. Difference of such conversion is presented as "other components of equity" in shareholder' equity.

3.3 The consolidated financial statements have been prepared in conformity with the same accounting policy for the same accounts and accounting events of the Company and subsidiaries.

3.4 The balance of accounts and transactions between Seafco Public Company Limited and subsidiaries, unrealized gain between of the Company and net assets of subsidiaries have been eliminated from the consolidated financial statements.

3.5 The consolidated financial statements have been included assets, liabilities, revenues and expenses of joint ventures by using proportionate consolidation method as detailed following :

	2014	Baht	2013
Statements of financial position			
Current assets	5,968,893.24		6,080,106.39
Non-current assets	38,704.12		51,037.45
Current liabilities	408,470.78		467,256.61
	For the year		
	2014	Baht	2013
Statements of comprehensive income			
Revenues	213.68		343.50
Expenses	64,983.33		173,284.96

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Income and Expense Recognition

4.1.1 Income and expenses are recognized on an accrual basis.

4.1.2 Income from the contractor of foundation and general civil works are recognized on the percentage of completion. If there is indication that total actual cost over than contractual income, the Company will recognized such loss as expenses in statements of comprehensive income immediately.

4.1.3 Cost of the contractor of foundation and general civil works consist of materials, wages, contractor wage and other costs are recorded on accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents included cash on hand and at banks of which the maturity is less than three months from the deposit date without restriction on withdrawal.

4.3 Trade and other receivables

Trade and other receivables are stated at the right to receive amount/invoice amount less allowance for doubtful accounts.

The Company, subsidiaries and joint venture provide the allowance for doubtful accounts from the estimated loss of uncollectable receivable. The estimated loss is based on a review of collection experience and current financial status of each receivable.

4.4 Inventory

Inventories are valued at the lower of cost on a first-in first-out (FIFO) basis or net realizable value.

4.5 Investment

4.5.1 Investment in securities for trading is stated at fair value. Gain or loss on changes in fair value are recognized as income or expense in statements of comprehensive income.

4.5.2 Investment in subsidiaries, joint venture and other companies are stated at cost less provision for impairment of investment (if any).

4.6 Investment Property

Investment Property are properties held to earn rental or for capital appreciation or both. The Company chosen to measure by using the cost for investment properties.

4.7 Property, plant and equipment

4.7.1 Land is stated at cost. Building and equipments are stated at cost less accumulated depreciation and provision for impairment of assets (if any). Cost is included the initial estimate of the cost of dismantling, removing the item and restoring the site on which it is located, the obligation for which the Company, subsidiaries and joint venture incur.

4.7.2 Building and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets. The depreciation charge has to be determined separately for each significant parts of property, plant and equipment with a cost that is significant in relation to the total cost of the assets item. In addition, the entity is required to review the useful lives, residual value and depreciation method at least at each financial year-end.

The estimated useful lives of assets are as follows :

	Number of years
Building and building improvement	20
Machinery and equipment	5 and 10
Furniture, fixtures and office equipment	5 and 10
Vehicles	5
Land and assets under construction were not depreciated.	

4.8 Impairment of assets

The Company, subsidiaries and joint venture have assessed the impairment of assets whenever events or changes indicated that the carrying amount of an assets exceeds its net recoverable value (net selling price of the assets under current operation or its utilization value whichever is higher). They will consider the impairment for each asset item or each asset unit generating cash flows, whenever is practical. In case of the carrying amount of an asset exceeds its net recoverable value, an impairment will be recognized in the statements of comprehensive income for the period. The Company, subsidiaries and joint venture will reverse the impairment loss whenever there is an indication that there is no longer impairment or reduction in impairment.

4.9 Transaction in foreign currencies

The Company, subsidiaries and joint venture record its transactions in foreign currencies converted into Thai Baht by using the exchange rates ruling on the transaction dates. The balance of assets and liabilities in foreign currencies as at the statements of financial position date are converted into Thai Baht on the average commercial bank buying and selling rate except forward contracts which are based on contractual rate.

Gain or Loss on exchange rate are included in the results of its operation.

4.10 Financial instruments

Financial instruments are presented in statement of financial position, consist of cash and cash equivalents, trade and other receivables, restricted bank deposit, long-term investment, bank overdrafts and short-term loans from financial institutions, trade and other payables, short-term loans, long-term loans and financial lease liabilities. The basis of recognition and measurement of each item are separately disclosed in the related transactions.

4.11 Long-term lease agreement - financial lease agreement

The Company, subsidiaries and joint venture recorded machineries and vehicles under financial lease agreement/hire purchase agreement as assets and liabilities in an amount equal to the fair value at the leased assets or the present value of minimum payments under agreement. Interest expenses are recorded on over the term of agreement.

4.12 Employees benefit

4.12.1 Provident fund

The Company, subsidiaries and joint venture have established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the outsider fund manager. The Company and employees made contribution into such provident fund. The Company's contribution payments to the provident fund were recorded as expenses in statements of comprehensive income in the period in which they are incurred.

4.12.2 Post-employment benefits

The Company provides for post-employment benefits, payable to employees under the Thai Labor Law. The present value of employee benefit liabilities recognized in the statements of financial position is estimated on an actuarial basis using Projected Unit Credit Method, calculated by the actuary. The calculation was made by utilizing various assumptions about future events. The Company is responsible for the selection of appropriate assumptions.

The principal actuarial assumptions is summarized as follows :

Discount rate	4.46 per annum
Employee turnover	Age-related scale and kind of employees and daily staff
Mortality	According to Thailand TMO97 male and female tables

4.13 Income tax and deferred tax

- Income tax expense for the period comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income.
 - Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.
 - Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized that it is probable that they will not utilize in the foreseeable future.
- Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they adjust, using tax rates enacted or substantively enacted at the reporting date.
- In determining the amount of current and deferred tax, the Company and subsidiaries take into account the impact of uncertain tax positions and whether additional taxes and interest may be settled. The Company and subsidiaries believe that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company and subsidiaries to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.
- Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but the Company and subsidiaries intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.
- A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

4.14 Accounting estimates

Preparation of financial statements in conformity with the financial reporting standards required the management to make several estimation and assumption which affect the reported amount in the financial statements and notes related thereto. Consequent actual results may differ from these estimates.

The Company, subsidiaries and joint venture made estimates and assumptions concerning the future factors. The results of accounting estimates may be differed from the related actual results. The estimates and assumptions that may have a risk of causing an adjustment to the assets in the next financial year related to allowance for doubtful accounts, provision for damaged of inventories at the statements of financial position date. Other estimates are described in the corresponding disclosures.

4.15 Provisions

The Company, subsidiaries and joint venture recognize a provision for liabilities when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. If some or all the expenditure is required to settle a provision, it is expected to be reimbursed when it is virtually certain that reimbursement will be received if they settle the obligation. The amount recognized should not exceed the amount of the provision.

4.16 Earnings per share

Earnings (loss) per share as presented in the statements of comprehensive income is the basic earnings (loss) per share which is determined by dividing the net profit (loss) for the year by the weighted average number of common shares issued and paid-up.

5. EFFECTS FROM INITIAL ADOPTION FINANCIAL REPORTING STANDARDS

The Company and subsidiaries have applied TAS 12 "Income Taxes", in accordance with the FAP's notification, the Company and subsidiaries thus taken income tax expenses (income) to adjust the beginning of 2013 retained earnings and made retroactively adjustment the 2012 financial statements. The effects of adoption that accounting standards, resulting to the financial statements for the year ended December 31, 2013 represented the increase in retained earnings amount of Baht 9.87 million, deferred tax assets amount of Baht 18.61 million and deferred tax liabilities amount of Baht 8.74 million in the consolidated and separate financial statements.

6. ADDITIONAL DISCLOSURE OF CASH FLOWS INFORMATION

6.1 Cash and cash equivalents

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Cash on hand	1,699,934.64	982,872.93	1,030,284.72	963,622.57
Cash at banks - current accounts	25,036,390.31	17,594,266.25	6,984,506.69	6,301,019.54
Cash at banks - savings deposit	90,729.40	90,912.86	17,035.46	17,167.91
Total	<u>26,827,054.35</u>	<u>18,668,052.04</u>	<u>8,031,826.87</u>	<u>7,281,810.02</u>

6.2 Non - cash transaction

For the year 2014

- 1). The Company has acquired machineries and equipment in the amount of Baht 6.12 million, are due payment in 2015 which was presented as payable for fixed assets acquisition.
- 2). The Company entered into financial lease for machineries and equipment amount of Baht 12.20 million and vehicles amount of Baht 3.78 million which was presented as financial lease liabilities.

For the year 2013

- 1). The Company has acquired machineries and equipment in the amount of Baht 40.18 million, are due payment in 2014 which was presented as payable for fixed assets acquisition.
- 2). The Company has received the debt payment amount of Baht 0.40 million by the land.

7. CURRENT INVESTMENTS

As at December 31, 2014, the Company has investments in two open-end fund in the amount of Baht 100.33 million. Such open-end fund invested in debt securities of government and private agencies.

8. TRADE AND OTHER RECEIVABLES

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	2014	2013	2014	2013
Trade accounts receivable	389,470,105.09	303,184,142.65	382,412,183.57	270,308,126.60
Other receivables				
Advance payment to contractors	28,359,545.75	29,400,509.29	0.00	0.00
Accrued income	8,312,858.81	3,735,788.73	8,312,858.81	3,735,788.73
Others	18,729,429.98	15,460,224.36	10,739,146.25	8,196,499.55
Total	444,871,939.63	351,780,665.03	401,464,188.63	282,240,414.88
Less Allowance for doubtful accounts				
- Trade accounts receivable	(49,116,494.53)	(57,754,644.77)	(49,116,494.53)	(57,754,644.77)
Net	395,755,445.10	294,026,020.26	352,347,694.10	224,485,770.11

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	2014	2013	2014	2013
Collected accounts receivable separated by aging				
Unbilled trade accounts receivable	193,992,021.61	97,625,511.06	193,992,021.61	97,625,511.06
Overdue trade accounts receivable				
- Less than 3 months	124,410,815.28	141,379,442.84	123,991,287.17	107,393,426.79
- Over 3 months to 6 months	9,668,953.06	2,910,456.09	9,668,953.06	2,910,456.09
- Over 6 months to 12 months	9,778,393.41	2,491,738.32	2,060,000.00	3,601,738.32
- Over 12 months	51,619,921.73	58,776,994.34	52,699,921.73	58,776,994.34
Total	389,470,105.09	303,184,142.65	382,412,183.57	270,308,126.60

9. INVENTORIES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Construction materials	29,659,987.23	16,542,609.81	27,199,314.26	16,542,609.81
Supplies	77,793,258.27	55,748,218.39	77,793,258.27	55,738,687.35
Total	107,453,245.50	72,290,828.20	104,992,572.53	72,281,297.16
Less Allowance for defective materials	(8,209,885.11)	(109,885.11)	(8,209,885.11)	(109,885.11)
Net	99,243,360.39	72,180,943.09	96,782,687.42	72,171,412.05

10. PLEDGED BANK DEPOSITS

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Savings deposit	44,516,477.68	44,286,991.01	44,516,477.68	44,286,991.01
Fixed deposit	34,786,334.42	42,578,221.63	30,857,449.35	38,725,392.49
Total	79,302,812.10	86,865,212.64	75,373,927.03	83,012,383.50

As at December 31, 2014 and 2013, the Company has savings deposit with several banks to guarantee bank overdrafts and short-term loans from financial institution (note 16) and letter of guarantee (note 34.3).

11. INVESTMENTS IN SUBSIDIARIES

Company's name	Incorporated in	Paid-up share capital (Baht)	Percentage of shareholding		Separate financial statements Cost method	
			2014	2013	2014	2013
Seafco Construction Co., Ltd.	Thailand	10,000,000.00	50	50	5,000,000.00	5,000,000.00
Seafco Intertrade Co., Ltd.	Thailand	2,500,000.00	99.99	99.99	2,499,850.00	2,499,850.00
Total					7,499,850.00	7,499,850.00

11.1 The financial statements of above subsidiaries which have been taken to prepare the consolidated financial statements for the year ended December 31, 2014 and 2013 were audited by the auditor respectively.

11.2 Seafco Intertrade Co., Ltd. was incorporated on June 17, 2013 with the registered share capital amount of Baht 5 million divided into 50,000 ordinary shares of Baht 100.00 each, and the paid-up share capital 50% of authorized share capital.

12. INVESTMENT PROPERTIES

As at December 31, 2014 and 2013, the Company has investment properties amount of Baht 26.15 million (at fair value of 26.15 million) which are land and condominium from receive the payment construction expenses from customers.

13. PROPERTY, PLANT AND EQUIPMENT

	Consolidated financial statements						(Unit : Baht)
	Land and improvement	Buildings and improvement	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Assets - cost							
As at December 31, 2012	58,063,714.09	48,637,315.09	1,135,311,818.25	45,459,208.48	91,145,488.75	659,484.55	1,379,277,029.21
Acquisition	400,000.00	0.00	59,273,004.79	3,885,336.37	0.00	45,050,736.46	108,609,077.62
Disposal	0.00	0.00	(10,886,757.80)	(2,299,066.36)	(9,519,179.75)	0.00	(22,705,003.91)
Transference	0.00	426,386.25	3,064,460.93	40,704.86	0.00	(3,531,552.04)	0.00
As at December 31, 2013	58,463,714.09	49,063,701.34	1,186,762,526.17	47,086,183.35	81,626,309.00	42,178,668.97	1,465,181,102.92
Acquisition	0.00	0.00	45,660,476.48	3,753,105.60	4,495,303.16	25,857,410.57	79,766,295.81
Disposal	0.00	(764,342.40)	(2,693,625.31)	(3,107,364.91)	(1,621,325.93)	0.00	(8,186,658.55)
Transference	0.00	6,190,942.91	42,368,760.61	121,211.94	0.00	(48,680,915.46)	0.00
As at December 31, 2014	58,463,714.09	54,490,301.85	1,272,098,137.95	47,853,135.98	84,500,286.23	19,355,164.08	1,536,760,740.18
Accumulated depreciation							
As at December 31, 2012	529,359.54	26,175,195.39	731,765,097.92	31,892,884.04	76,907,430.63	0.00	867,269,967.52
Depreciation for the year	151,667.89	1,581,079.25	77,504,049.97	2,967,863.45	4,770,456.78	0.00	86,975,117.34
Depreciation - write off	0.00	0.00	(8,635,716.75)	(1,988,097.64)	(8,023,716.00)	0.00	(18,647,530.39)
As at December 31, 2013	681,027.43	27,756,274.64	800,633,431.14	32,872,649.85	73,654,171.41	0.00	935,597,554.47
Depreciation for the year	37,645.33	2,448,254.15	82,311,093.70	3,290,941.88	4,384,733.20	0.00	92,472,668.26
Depreciation - write off	0.00	(764,342.40)	(2,244,414.73)	(2,972,706.19)	(1,621,312.93)	0.00	(7,602,776.25)
As at December 31, 2014	718,672.76	29,440,186.39	880,700,110.11	33,190,885.54	76,417,591.68	0.00	1,020,467,446.48
Net assets value							
As at December 31, 2013	57,782,686.66	21,307,426.70	386,129,095.03	14,213,533.50	7,972,137.59	42,178,668.97	529,583,548.45
As at December 31, 2014	57,745,041.33	25,050,115.46	391,398,027.84	14,662,250.44	8,082,694.55	19,355,164.08	516,293,293.70

Separate financial statements

(Unit : Baht)

	Land and improvement	Buildings and improvement	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Assets - cost							
As at December 31, 2012	58,063,714.09	48,637,315.09	1,134,389,890.29	43,756,410.76	91,145,488.75	659,484.55	1,376,652,303.53
Acquisition	400,000.00	0.00	59,119,251.43	3,462,142.50	0.00	44,502,894.06	107,484,287.99
Disposal	0.00	0.00	(10,886,757.80)	(2,299,066.36)	(9,519,179.75)	0.00	(22,705,003.91)
Transference	0.00	426,386.25	3,064,460.93	40,704.86	0.00	(3,531,552.04)	0.00
As at December 31, 2013	58,463,714.09	49,063,701.34	1,185,686,844.85	44,960,191.76	81,626,309.00	41,630,826.57	1,461,431,587.61
Acquisition	0.00	0.00	41,927,645.14	3,295,270.17	3,849,853.16	25,640,910.57	74,713,679.04
Disposal	0.00	0.00	(2,693,625.31)	(3,107,364.91)	(1,621,325.93)	0.00	(7,422,316.15)
Transference	0.00	5,426,600.51	42,368,760.61	121,211.94	0.00	(47,916,573.06)	0.00
As at December 31, 2014	58,463,714.09	54,490,301.85	1,267,289,625.29	45,269,308.96	83,854,836.23	19,355,164.08	1,528,722,950.50
Accumulated depreciation							
As at December 31, 2012	529,359.54	26,175,195.39	731,593,949.91	31,541,256.88	76,907,430.63	0.00	866,747,192.35
Depreciation for the year	151,667.89	1,581,079.25	77,324,029.59	2,733,456.82	4,770,456.78	0.00	86,560,690.33
Depreciation - write off	0.00	0.00	(8,635,716.75)	(1,988,097.64)	(8,023,716.00)	0.00	(18,647,530.39)
As at December 31, 2013	681,027.43	27,756,274.64	800,282,262.75	32,286,616.06	73,654,171.41	0.00	934,660,352.29
Depreciation for the year	37,645.33	1,683,911.75	81,823,756.45	2,973,295.08	4,274,741.45	0.00	90,793,350.06
Depreciation - write off	0.00	0.00	(2,244,414.73)	(2,972,706.19)	(1,621,312.93)	0.00	(6,838,433.85)
As at December 31, 2014	718,672.76	29,440,186.39	879,861,604.47	32,287,204.95	76,307,599.93	0.00	1,018,615,268.50
Net assets value							
As at December 31, 2013	57,782,686.66	21,307,426.70	385,404,582.10	12,673,575.70	7,972,137.59	41,630,826.57	526,771,235.32
As at December 31, 2014	57,745,041.33	25,050,115.46	387,428,020.82	12,982,104.01	7,547,236.30	19,355,164.08	510,107,682.00

As at December 31, 2014 and 2013, the Company has land with its construction at cost amount of Baht 103.46 million (in 2013 equal to Baht 102.41 million) and machinery and equipment at cost amount of Baht 16.08 million to guarantee bank overdrafts and short-term loans from financial institutions (note 16), long-term loans (note 19) and letter of guarantee (note 34.3).

14. DEFERRED TAX ASSETS / LIABILITIES

Consolidated and Separate financial statements (Baht)						
	Recognize as (expenses)			Recognize as (expenses) income in		
	December 31, 2012	profit or loss (note 24.2)	other comprehensive income (note 24.3)	December 31, 2013	income in profit or loss (note 24.2)	December 31, 2014
Deferred tax assets						
Trade accounts receivable (allowance for doubtful accounts)	8,659,212.74	(1,844,469.29)	0.00	6,814,743.45	(3,106,331.82)	3,708,411.63
Inventories (allowance for devaluation of finished goods)	21,977.03	0.00	0.00	21,977.03	0.00	21,977.03
Retentions receivable (allowance for doubtful accounts)	197,511.90	0.00	0.00	197,511.90	0.00	197,511.90
Short-term provisions	4,235,893.14	328,518.33	0.00	4,564,411.47	(248,213.05)	4,316,198.42
Employee benefit obligations	5,490,975.60	539,432.48	(669,923.88)	5,360,484.20	812,244.60	6,172,728.80
Total	18,605,570.41	(976,518.48)	(669,923.88)	16,959,128.05	(2,542,300.27)	14,416,827.78
Deferred tax liabilities						
Fixed assets (depreciation)	(1,223,562.59)	(723,127.18)	0.00	(1,946,689.77)	1,946,689.77	0.00
Financial lease liabilities	(7,513,617.57)	(4,648,836.43)	0.00	(12,162,454.00)	1,549,301.32	(10,613,152.68)
Total	(8,737,180.16)	(5,371,963.61)	0.00	(14,109,143.77)	3,495,991.09	(10,613,152.68)
Net	9,868,390.25	(6,348,482.09)	(669,923.88)	2,849,984.28	953,690.82	3,803,675.10

15. RETENTIONS RECEIVABLE

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Retentions	186,543,062.93	124,499,579.94	173,371,197.01	114,799,211.74
Less Allowance for doubtful accounts	(1,366,859.52)	(1,366,859.52)	(1,366,859.52)	(1,366,859.52)
Net	185,176,203.41	123,132,720.42	172,004,337.49	113,432,352.22

16. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

	Consolidated and Separate financial statements (Baht)	
	2014	2013
Bank overdrafts	14,245,482.84	42,655,407.69
Loans from bank	30,000,000.00	40,000,000.00
Total	44,245,482.84	82,655,407.69

As at December 31, 2014 and 2013, the Company has overdrafts line with 6 banks amount of Baht 133 million. For the amount of Baht 20 million is charged interest at the rate of S/A + 1.5% per annum and the remaining amount of Baht 113 million is charged at MOR to MOR + 1% per annum.

As at December 31, 2014 and 2013, the Company has loans from a bank at the interest rate of 6.75% and 7% per annum respectively documented by promissory notes.

Such debts are guaranteed by bank deposit (note 10), land and construction thereon (note 13) and the right on receive payment under hiring agreement of several customers.

17. CURRENT PORTION OF LONG-TERM LIABILITIES

	Consolidated and Separate financial statements (Baht)	
	2014	2013
Long-term loans	25,444,000.00	26,244,000.00
Financial lease liabilities	15,173,659.98	23,260,360.08
Total	40,617,659.98	49,504,360.08

18. SHORT-TERM LOANS

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Persons	90,000,000.00	130,000,000.00	90,000,000.00	130,000,000.00
Companies	15,000,000.00	12,500,000.00	15,000,000.00	5,000,000.00
Total	105,000,000.00	142,500,000.00	105,000,000.00	135,000,000.00

As at December 31, 2014 and 2013, the Company has outstanding short-term loans five and six lenders respectively by discounting bills of exchange at the interest rate of 4.00 - 5.00% and 4.50 - 5.00% per annum respectively.

19. LONG-TERM LOANS

	Consolidated and Separate financial statements (Baht)	
	2014	2013
Loans from bank	48,944,070.00	46,758,070.00
Less Current portion of long-term loans	(25,444,000.00)	(26,244,000.00)
Net	<u>23,500,070.00</u>	<u>20,514,070.00</u>

As at December 31, 2014 and 2013 the Company has long-term loans from bank as follows:

The loan agreement No. 1 :

The Company has long-term loan from a bank in amount of Baht 25.20 million with principal repayment on monthly basis of Baht 0.42 million each, and the monthly interest payment at the rate of MLR per annum, commencing in July 2010 and the payment will be completed in June 2015. Such loan has no any collaterals.

The loan agreement No. 2 :

The Company has loan from the bank in amount of Baht 17.20 million with principal repayment on monthly basis of Baht 0.29 million each, and the monthly interest payment at the rate of MLR per annum, basis commencing in June 2011 and the payment will be completed in May 2016. Such loan has no any collaterals.

The loan agreement No. 3 :

The Company has loan from the bank in amount of Baht 40 million with principal repayment on monthly basis of Baht 1.12 million each, and the monthly interest payment at the rate of MLR - 1.25% per annum, commencing in July 2012 and the payment will be completed in June 2015, guaranteed by mortgaging land with its construction and machinery (note 13). The Company must comply with the condition of loans agreement by preserving debt service converge ratio/DSCR not less than 1.20 time.

The loan agreement No. 4 :

The Company has loan from the bank in amount of Baht 17 million in order to make payment for machinery from overseas with principle repayment on monthly basis of Baht 0.36 million each, and the monthly interest payment at the rate of MLR - 0.50% per annum, commencing in April 2013 and the payment will be completed in March 2017. During the year of 2013, the Company has withdrawn long-term loans amount of Baht 14.66 million, guaranteed by bank deposit (note 10), mortgaging land and construction thereon (note 13), machinery and equipment (note 13) and the Company must comply with the condition of loans agreement by preserving debt service converge ratio / DSCR not less than 1.20 time.

The loan agreement No. 5 :

The Company has loan from the bank in amount of Baht 35 million in order to make payment for machineries acquired from oversea. The principal is repayable on a monthly basis in the amount of Baht 0.73 million, commenced in April 2014 and the payment will be completed in March 2018. The interest is payable on a monthly basis at the rate of MLR per annum. Such loan has no any collateral.

20. FINANCIAL LEASE LIABILITIES

20.1 Financial lease liabilities excluded futures interest are as follows :

	Consolidated and Separate financial statements (Baht)	
	2014	2013
Lease payable	19,259,182.83	23,725,760.73
Hire-purchase payable	15,731,839.30	22,422,671.54
Total	34,991,022.13	46,148,432.27
Less Current portion of long-term liabilities	(15,173,659.98)	(23,260,360.08)
Net	19,817,362.15	22,888,072.19

The Company's fixed assets at cost are under the payment under the above lease as below :

	Consolidated and Separate financial statements (Baht)	
	2014	2013
Machineries	99,311,365.94	157,458,420.82
Vehicles	13,054,083.49	15,373,163.44
Total	112,365,449.43	172,831,584.26

20.2 The minimum to be paid under financial lease as follows :

	Consolidated and Separate financial statements (Baht)	
	2014	2013
Within 1 year	16,951,112.08	25,526,093.78
Over 1 year not over 3 years	19,989,717.00	19,757,493.88
Over 3 years not over 5 years	1,063,958.42	4,754,465.04
Total	38,004,787.50	50,038,052.70
Less Future interest of financial lease	(3,013,765.37)	(3,889,620.43)
Present value of financial lease liabilities	34,991,022.13	46,148,432.27

21. EMPLOYEE BENEFIT OBLIGATIONS

	Consolidated and Separate financial statements (Baht)	
	2014	2013
Beginning balance	26,802,421.00	27,454,877.99
Actuarial gain	0.00	(3,349,618.99)
Present services and interest cost	4,061,223.00	2,697,162.00
Ending balance	30,863,644.00	26,802,421.00

22. SHARE CAPITAL

22.1 According to the minutes of Annual General Shareholders' meeting for the year 2014 held on April 17, 2014 passed the resolution as follows :

1. Pay dividend payment to shareholders at Baht 0.283333 per share for 268.73 million shares totally Baht 76.14 million dividing into :
 - Cash dividend payment to shareholders at Baht 0.20 per share, amounted to Baht 53.75 million in which the Company has paid interim dividend at Baht 0.10 per share amounting to Baht 26.87 million, the remaining to be paid at Baht 0.10 per share, total amount of Baht 26.88 million.
 - Shares dividend payment to the existing shareholders at the ratio of 12 existing shares for 1 share dividend at par value of Baht 1 each, totally Baht 22.39 million. The Company has registered the increase share capital and paid-up with the Ministry of Commerce on May 8, 2014 and May 16, 2014 respectively.
2. To decrease share capital by cutting unissued of 64.52 million shares at par value of Baht 1 each, total amounting to Baht 64.52 million which consist of : 1) ordinary shares in the form of General Mandate for 64.50 million shares, and 2) increased ordinary shares for 0.02 million shares remained from share dividend appropriation. Such ordinary shares are increased in compliance with the resolution of shareholders' meeting No.1/2013 held on April 11, 2013. The Company has registered the decrease share capital with the Ministry of Commerce on April 30, 2014.

22.2 According to the minutes of Annual General Shareholders' meeting for the year 2013 held on April 11, 2013, the shareholders passed the resolution to increase follows:

- 1) Pay dividend to shareholders at Baht 0.27777777 per share for 215 million shares totally Baht 59.72 million the dividend payment was made within May 9, 2013, dividing into :
 - Cash dividend payment to shareholders at Baht 0.02777777 per share, amounted to Baht 5.97 million.
 - Shares dividend payment to the existing shareholders at the ratio of 4 existing shares for 1 share dividend at par value of Baht 1 each, totally Baht 53.75 million.
- 2) Increase the Company's share capital in the form of General Mandate for 64.50 million ordinary shares at par value of Baht 1 each offered to the existing shareholders based on proportion of each shareholder for 21.50 million shares (not exceed 10% of paid-up share capital) and to the public for 43 million shares (not exceed 20% of paid-up share capital).
- 3) Disapproval to issue warrants to purchase ordinary shares to the Company's directors and employees (ESOP) for 10 million units at the exercise ratio of 1 unit for 1 ordinary share at the price of Baht 3 each. The exercise period is 2 years 18 days from the issuance date and the offering can be exercised every 6 months of not exceed 25%.
- 4) Increase share capital amount of Baht 118.25 million (118.25 million ordinary share at par value of Baht 1 each) the allotting of increase share capital for supporting share dividend payment as per No.1 and increase the Company's share capital in the form of General Mandate as per No. 2, the Company has registered the increase share capital with the Ministry of Commerce on April 24, 2013.

23. LEGAL RESERVE

According to the Public Company Limited Act, the Company is required to set aside a legal reserve at least 5% of the annual net profit deducted by deficit brought forward (if any) until the reserve reach an amount not less than 10% of the authorized share capital. Such legal reserve is not available for dividend distribution.

24. RETAINED EARNINGS APPROPRIATION

For the year 2014

- 1) According to the minutes of shareholders' general meeting No.1/2014 held on April 17, 2014, passed the resolution to pay dividend to the shareholders at Baht 0.283333 per share for 268.73 million shares, totally Baht 76.14 million by dividing into
 - 1) cash dividend to the shareholders at Baht 0.20 per share, total amount of Baht 53.75 million which was paid interim dividend at Baht 0.10 per share, totally Baht 26.87 million, remains Baht 0.10 per share, amounting to Baht 26.88 million will be made in this dividend payment, and
 - 2) ordinary shares dividend to the existing shareholders at the ratio of 12 shares for 1share dividend at par value of Baht 1 each, totally Baht 22.39 million. The Company has already paid such dividend during the year.
- 2) According to the minutes of the Board of directors' meeting No. 3/2014 held on August 13, 2014, passed to pay interim dividend from the operating profit for the six months of 2014 to the shareholders at Baht 0.14 per share for 291.11 million shares, totally Baht 40.76 million. The Company has already paid dividend during the year.

For the year 2013

- 1) According to the minutes of the Board of directors' meeting No. 3/2013 held on August 13, 2013, passed the resolution to pay interim dividend for the first six months of 2013 to the shareholders at Baht 0.10 per share for 268.73 million shares, total amount of Baht 26.87 million. The Company has already paid such dividend during the year.
- 2) According to the minutes of the 2013 Annual General Meeting of shareholders held on April 11, 2013 passed the resolution to pay dividend to the shareholders at Baht 0.27777777 per share total amount of Baht 59.72 million by :
 - 1) ordinary share dividend payment not exceed Baht 53.75 million or in the rate of Baht 0.25 per share (53.75 million ordinary shares at par value of Baht 1 each) to the shareholders in the ratio of 4 existing shares per 1 shares dividend, and
 - 2) cash dividend payment at Baht 0.02777777 per share or total amount not exceed Baht 5.97 million which was paid on May 9, 2013. The Company has already paid dividend during the year.

25. INCOME TAX

25.1 The calculation of income taxes for the current period

The Company

The Company calculated corporate income tax at the rate of 20% of profit (loss) before deducting with tax expenses and added back by any expenses which shall not be allowed as expenses in tax calculation (if any) less net loss which is permitted deduction by law.

Subsidiary

Subsidiary and Joint Venture calculated corporate income tax at the rate of 15-25% of profit (loss) before deducting with tax expenses and added back by any expenses which shall not be allowed as expenses in tax calculation (if any) less net loss which is permitted deduction by law.

25.2 Income tax recognized in profit or loss

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	2014	2013	2014	2013
Current income tax				
for the current year	58,673,265.35	27,166,713.05	55,033,784.71	26,440,691.00
Deferred tax on changes in				
temporary differences	(953,690.82)	6,348,482.09	(953,690.82)	6,348,482.09
Total	<u>57,719,574.53</u>	<u>33,515,195.14</u>	<u>54,080,093.89</u>	<u>32,789,173.09</u>

25.3 Income tax recognized in other comprehensive income for the year ended December 31, 2013 as follow :

	<u>Consolidated and Separate financial statements (Baht)</u>		
	Income tax		
	Before income tax	(expense)	Net of income tax
Actuarial gain on defined			
employee benefit obligations	<u>(3,349,618.99)</u>	<u>669,923.88</u>	<u>(2,679,695.11)</u>

25.4 Reconciliation for effective income tax rate

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	2014	2013	2014	2013
Profit before income tax	267,285,440.50	172,790,099.89	253,139,388.35	167,799,698.73
Income tax rate (%)	20	20	20	20
Income tax	53,734,098.38	34,550,137.85	50,627,877.67	33,559,939.75
Prohibited taxable expenses	4,755,505.74	1,276,698.95	4,105,647.83	1,230,394.50
Additional taxable expenses	(770,029.59)	(2,311,641.66)	(653,431.61)	(2,001,161.16)
Total income tax	<u>57,719,574.53</u>	<u>33,515,195.14</u>	<u>54,080,093.89</u>	<u>32,789,173.09</u>
Effective income tax rate (%)	<u>22</u>	<u>19</u>	<u>21</u>	<u>20</u>

26 EARNINGS PER SHARE

The basic earnings per share which is determined by dividing the net profit (loss) for the year by the weighted average number of common shares issued and paid-up during the year using the number of shares including the number of shares dividend issued to the shareholders on May 16, 2014 (note 22) and was made retroactively adjustment the earnings per share for the year 2013 as below :

Consolidated financial statements				
Before share dividend payment		After share dividend payment		
Earnings per share	Number of share	Earnings per share	Number of share	
For the year 2014	-	-	0.72	291,110,727
For the year 2013	0.51	268,730,194	0.48	291,110,727

Separate financial statements				
Before share dividend payment		After share dividend payment		
Earnings per share	Number of share	Earnings per share	Number of share	
For the year 2014	-	-	0.68	291,110,727
For the year 2013	0.50	268,730,194	0.47	291,110,727

27. TRANSACTIONS WITH RELATED PARTIES

A portion of the Company, subsidiary and joint venture's assets, liabilities, revenues and expenses arose from transactions with related parties. These transactions are based on the normal course of business and on the basis of group of related companies concerned as follows:

27.1 General information

Name/description	Type of Business	Relationship	Transactions	Pricing policy
Subsidiary				
Seafco Construction Co., Ltd.	Contractual construction work	Subsidiary	Hire of work income / services Lending	Estimated cost / Actual cost At the interest rate of 7.50% per annum
Seafco Intertrade Co., Ltd.	Contractual construction work	Subsidiary	Other income	Actual cost
Related Companies				
S.T.P. Assets Co., Ltd.	Rent for movable and immovable assets	Common shareholder and near relative of director is a director of such company.	Cost of facilities expenses Machinery rental Other expenses Borrowing	Actual cost Less than market value Actual cost At the interest rate of 4.50 - 4.90% per annum

Name/description	Type of Business	Relationship	Transactions	Pricing policy
E. D. E. Co., Ltd.	Hire of foundation pile testing	Shareholder of this	Cost of facilities expenses	Actual cost
		company is near relative	Test of foundation pile	Market value
		of the Company's	Other expenses	Actual cost
		shareholders.	Borrowing	At the interest rate of 4.50% per annum
Altemtech Co., Ltd.	Contractual construction work	Subsidiary's shareholder and director	Contractor wage	As agreed
			Borrowing	At the interest rate of 7.50% per annum
New Technology Engineering Construction Co., Ltd.	Contractual construction work	Subsidiary's shareholder and director	Services income	Actual cost
			Contractor wage	As agreed
			Borrowing	At the interest rate of 7.50% per annum

27.2 Assets and liabilities transaction with related persons and parties consist of :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
<u>Trade and other receivables</u>				
Seafo Construction Co., Ltd.	0.00	0.00	0.00	6,306.34
Srinakarin Joint Venture	2,590,000.00	2,590,000.00	3,700,000.00	3,700,000.00
New Technology Engineering Construction Co., Ltd.	28,373,608.25	29,414,571.79	14,062.50	14,062.50
Total	30,963,608.25	32,004,571.79	3,714,062.50	3,720,368.84
<u>Unbilled receivable</u>				
Srinakarin Joint Venture	2,800,000.00	2,800,000.00	4,000,000.00	4,000,000.00
<u>Prepaid for wages and goods acquisition</u>				
New Technology Engineering Construction Co., Ltd.	12,174.66	12,174.66	0.00	0.00
<u>Short-term loan to subsidiary</u>				
Seafo Construction Co., Ltd.	0.00	0.00	0.00	7,500,000.00
Increase and decrease are as follows :				
			Separate financial statements (Baht)	
			2014	2013
Beginning balance			7,500,000.00	0.00
Additional loans during the year			0.00	20,900,000.00
Repayment during the year			(7,500,000.00)	(13,400,000.00)
Ending balance			0.00	7,500,000.00
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
<u>Retentions receivable</u>				
Srinakarin Joint Venture	4,346,660.16	4,346,660.16	6,209,514.51	6,209,514.51

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
<u>Trade and other payables</u>				
S. T. P. Asset Co., Ltd.	346,868.82	384,954.95	346,868.82	384,954.95
E. D. E. Co., Ltd.	1,606,934.80	943,066.51	1,606,934.80	943,066.51
Altentech Co., Ltd.	3,784,120.04	11,057,791.34	0.00	0.00
New Technology Engineering Construction Co., Ltd.	16,686,763.43	17,901,716.70	0.00	0.00
Total	22,424,687.09	30,287,529.50	1,953,803.62	1,328,021.46
<u>Retentions payable - contractor</u>				
Altentech Co., Ltd.	1,798,319.45	2,093,065.89	0.00	0.00
New Technology Engineering Construction Co., Ltd.	13,559,529.85	13,559,529.85	997.50	997.50
Total	15,357,849.30	15,652,595.74	997.50	997.50
<u>Short-term loans</u>				
S. T. P. Asset Co., Ltd.	15,000,000.00	3,000,000.00	15,000,000.00	3,000,000.00
E. D. E. Co., Ltd.	0.00	2,000,000.00	0.00	2,000,000.00
Altentech Co., Ltd.	0.00	3,750,000.00	0.00	0.00
New Technology Engineering Construction Co., Ltd.	0.00	3,750,000.00	0.00	0.00
Total	15,000,000.00	12,500,000.00	15,000,000.00	5,000,000.00

Increase and decrease are as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Beginning balance	12,500,000.00	0.00	5,000,000.00	0.00
Additional loans during the year	12,000,000.00	12,500,000.00	12,000,000.00	5,000,000.00
Repayment during the year	(9,500,000.00)	0.00	(2,000,000.00)	0.00
Ending balance	15,000,000.00	12,500,000.00	15,000,000.00	5,000,000.00

27.3 Revenues and expenses transaction with related persons and parties are as follows:

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
<u>Revenue from hire of work</u>				
Seafco Construction Co., Ltd.	0.00	0.00	0.00	429,825.63
New Technology Engineering Construction Co., Ltd.	0.00	121,612.01	0.00	121,612.01
Total	0.00	121,612.01	0.00	551,437.64
<u>Other income</u>				
Seafco Construction Co., Ltd.	0.00	0.00	0.00	191,314.21
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
<u>Cost of hire of work</u>				
1) Contractor wage				
Altentech Co., Ltd.	0.00	2,944,009.12	0.00	0.00
New Technology Engineering Construction Co., Ltd.	0.00	34,449,839.17	0.00	0.00
2) Facilities expenses				
S. T. P. Asset Co., Ltd.	1,838,093.50	1,898,709.00	1,838,093.50	1,898,709.00
E. D. E. Co., Ltd.	537,960.88	177,935.70	537,960.88	177,935.70
3) Machinery rental				
S. T. P. Asset Co., Ltd.	2,493,902.65	1,994,882.47	2,493,902.65	1,994,882.47
E. D. E. Co., Ltd.	13,403.52	0.00	13,403.52	0.00
4) Test of foundation pile				
E. D. E. Co., Ltd.	5,051,300.00	4,832,900.00	5,051,300.00	4,832,900.00
Total	9,934,660.55	46,298,275.46	9,934,660.55	8,904,427.17
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
<u>Administrative expenses</u>				
S. T. P. Asset Co., Ltd.	168,224.28	154,205.59	168,224.28	154,205.59
E. D. E. Co., Ltd.	1,372,710.24	1,372,710.24	1,372,710.24	1,372,710.24
Total	1,540,934.52	1,526,915.83	1,540,934.52	1,526,915.83
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
<u>Finance cost</u>				
S. T. P. Asset Co., Ltd.	252,067.20	139,768.84	252,067.20	139,768.84
E. D. E. Co., Ltd.	48,821.92	39,205.48	48,821.92	39,205.48
Altentech Co., Ltd.	69,349.32	164,897.26	0.00	0.00
New Technology Engineering Construction Co., Ltd.	69,349.32	156,421.23	0.00	0.00
Total	439,587.76	500,292.81	300,889.12	178,974.32

28. DIRECTORS' REMUNERATION

Directors' remuneration represents the benefits paid to the Company's directors in accordance with Section 90 of the Public Limited Companies Act, excluding salaries and related benefits payable to executive directors.

29. MANAGEMENT BENEFIT EXPENSES

Management benefit expenses focuses expenses relating to salaries, remunerations and other benefits to the directors and management, in accordance with the definitions of the Office of the Securities and Exchange Commission. Management under definition includes a chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels.

30. EXPENSES ANALYZED BY NATURE

Expenses analyzed by nature as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Work performed by the entity and				
capitalized	(25,637,345.57)	(8,177,959.06)	(25,637,345.57)	(8,177,959.06)
Raw materials and consumable used	763,596,742.63	427,890,520.28	756,605,906.03	426,098,061.16
Contractor wage	115,608,116.68	98,233,396.64	81,017,378.68	60,790,681.79
Employees benefit expenses	274,440,220.54	222,372,242.37	269,498,581.11	221,801,610.66
Depreciation	92,472,668.26	86,975,117.34	90,793,350.06	86,560,690.33
Directors' remuneration	2,580,000.00	2,715,000.00	2,580,000.00	2,715,000.00
Management benefit expenses	37,791,810.00	29,635,004.00	36,997,410.00	29,635,004.00

31. OPERATING SEGMENT

31.1 Operating segment information is reported in a manner consistent with the internal reports of the Company that are regularly reviewed by the chief operating decision maker in order to make decision about the allocation of resources to the segment and assessing its performance. The chief operating decision maker of the Company has been identified as the President of executive directors.

31.2 The Company's operation involve virtually in hire of construction business in both domestic and overseas geographical segment but the overseas segment is less than 10% of total revenues, therefore, the financial information by geographical segment was not presented.

31.3 Revenues separated by products are as follows :

	Consolidated financial statements (Million Baht)	
	2014	2013
Foundation and wall works income	1,813.64	1,192.36
General public works income	46.88	108.11

31.4 The Company and subsidiaries recognized income from hire of works for the year ended December 31, 2014 and 2013 total amount of Baht 553.03 million (2 majority customers) and Baht 643.27 million (1 majority customer) which received customers respectively.

32. DISCLOSURE AND PRESENTATION OF FINANCIAL INSTRUMENTS

The Company, subsidiaries and joint venture have no policy to hold off-statements of financial position financial instruments for speculation or trading.

32.1 Accounting policy

The significant accounting policies and method adopted including the basis of recognition and measurement relating to each class of financial assets and liabilities have been disclosed in notes to financial statements no. 4.10.

32.2 Credit risk

Credit risk derives from failure by counterparties to discharge their obligations resulting in financial loss to the Company, subsidiaries and joint venture. The Company, subsidiaries and joint venture have policy to hedge this credit risk by reviewing the financial status of customers for billed before operation and billed on the completion of work. Financial assets shown in statements of financial position at the book value deducted by allowance for doubtful accounts is maximum value of credit risk.

32.3 Interest rate risk

Interest rate risk from changes in market interest rate will affect the results of the Company, subsidiaries and joint venture operations and cash flows. The Company, subsidiaries and joint venture exposed the interest rate risk due to its bank overdrafts and short-term loans from financial institution, short-term loans, long-term loans and financial lease liabilities. The Company, subsidiaries and joint venture do not use derivative financial instruments to hedge such risk.

32.4 Exchanges rate risk

The Company has a risk from foreign currencies exchange rate since the Company has account payable denominated in foreign currencies without entering into exchange rate hedging agreement, as at December 2014 and 2013, the Company has remaining accounts payable in foreign currencies as follows:

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	2014	2013	2014	2013
Foreign currencies				
US Dollar	11,675.00	0.00	0.00	0.00
Euro	24,841.35	33,307.20	24,841.35	33,307.20
Yen	58,479,000.00	115,000,000.00	58,479,000.00	115,000,000.00
SG Dollar	78,829.00	18,632.18	78,829.00	18,632.18
Kyat	257,474,563.00	0.00	0.00	0.00

32.5 Fair value of financial instruments

Financial assets shown in statements of financial position consist of cash and cash equivalents, trade and other receivables, pledged bank deposits and long-term investment. Financial liabilities shown in statements of financial position consist of bank overdrafts and short-term loans from financial institutions, trade and other payables, short-term loans, long-term loans and financial lease liabilities.

The book value of financial assets and liabilities are closed to their fair value.

33. CONSTRUCTION CONTRACTS

Details of construction contracts as at December 31, 2014 and 2013 are as following :

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	2014	2013	2014	2013
Cost of construction adjusted by				
gain or loss	1,773,757,193.41	1,009,307,480.70	1,691,039,161.66	998,774,960.70
Advance received	85,243,330.86	60,788,974.43	59,588,269.50	46,091,366.18
Retention as deduction	65,323,005.66	26,878,262.92	63,103,409.61	26,878,262.92
Amount of claim from employer	199,072,280.49	193,785,432.37	173,916,824.86	183,252,912.37
Amount of claim from the Company	292,064.12	0.00	0.00	0.00

34. COMMITMENT AND CONTINGENT LIABILITIES

34.1 The Company, subsidiaries and joint venture have commitment under hire contractors agreement, rent agreement and other agreement are as following :

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	2014	2013	2014	2013
US Dollar	65,756.70	0.00	65,756.70	0.00
Euro	361.20	0.00	361.20	0.00
Yen	57,750,000.00	0.00	57,750,000.00	0.00
Kyat	806,565,437.00	0.00	0.00	0.00
Baht	24,575,861.01	24,624,808.69	22,575,861.01	23,960,471.17

34.2 The Company has commitment under letter of credit in respect of materials and equipment acquisition with a bank as at December 31, 2014, total amount of USD 0.07 million.

34.3 The Company, subsidiaries and joint venture have contingent liabilities from bank issuance of letters of guarantee in favour of the Company, subsidiaries and joint venture to some customers in accordance with the hire of work contracts, goods seller and others as at December 31, 2014 and 2013 amounting to approximately Baht 318.64 million and Baht 325.72 million in the consolidated financial statements, and Baht 276.53 million and Baht 268.76 million in the separate financial statements respectively. Such letter of guarantee is guaranteed by bank deposit (note 10), land with its construction (note 13) and transfer the receipt of payment rights under the hire of work contracts of various customers.

34.4 As at December 31, 2014 and 2013, the Company has contingent liabilities since the Company was sued in several cases by hirer, sub-contractor and residents living near construction work area from breach of hire of work contract violating and claiming indemnity for approximately total amount of Baht 191.22 million and Baht 297 million respectively. The management however, believes that there is no any damages from the such prosecution. At present, such cases are still pending the Court's trial.

35. PROVIDENT FUND

The Company has joined to be a member of “THE REGISTER PROVIDENT FUND OF PROGRESIVE RETIREMENT” which registered under the Provident Fund Act B.E. 2530 and amendment which assigned the authorized manager to manage this fund by deducting the employees’ salaries and the Company contributed to the fund at the same rate of 3% of employees’ salaries. The members are entitled the benefits on their retirement, death or resignation.

This provident fund managed by MFC Asset Management Public Company Limited for the years 2014 and 2013, the Company has contribution to be paid to the fund for the amount of Baht 2.34 million and Baht 2.07million respectively,

36. CAPITAL MANAGEMENT

The objective of financial management of the Company is to preserve the ability to continue its operation as a going concern and capital structure to be properly appropriated.

37. EVENTS AFTER THE REPORTING PERIOD

According to the minutes of Board of directors meeting No. 1/2015 held on February 26, 2015 passed the resolution to propose for the approval to the shareholders’ general meeting for dividend payment to shareholders at Baht 0.34 per share for 291.11 million shares totally Baht 98.98 million dividing into :

1. Cash dividend payment to shareholders at Baht 0.29 per share, amounted to Baht 84.42 million in which the Company has paid interim dividend at Baht 0.14 per share amounting to Baht 40.76 million, the remaining to be paid at Baht 0.15 per share total amount of Baht 43.88 million.
2. Shares dividend payment to the existing shareholders at the ratio of 20 existing shares for 1 share dividend at par value of Baht 1 each, totally Baht 14.56 million.

38. FINANCIAL STATEMENTS APPROVAL

These financial statements were authorized for issue by the Company’s Board of directors on February 26, 2015.

SEAFCO



Sustainable Development

On 26 February 2015, the Board of Director formed a Sustainable Development Committee with intention of organization sustainable development, transparency, good governance, responsibility for and protection of interests of the society and stakeholders, development of personnel of good conduct, high ethics, extensive knowledge, good quality of life, improvement of the surroundings according to the international standards, as follows:

1. Good governance
2. Fair business dealing
3. Anticorruption
4. Respect of human rights
5. Fair treatment of labor
6. Responsibilities for consumers
7. Community and social development
8. Management of the environment
9. Innovation and its dissemination

Sustainable Development

1. Social responsibility policy

The Company adheres to the King's working principles and sustainable economy theory as a guideline for the management using modestly, carefulness, risk prevention and fairness business operation together with responsibilities to society and environment.

2. Business operation and report preparation

Social responsibilities are conducted in the following aspects

2.1 Good governance

Governance policy

The board of directors gives important to the compliance with good governance principles for the transparency and responsibility of the directors and the managements and in order to raise shareholders' confidence. Investors therefore, stipulates the good governance policy as follow

1. Right of Shareholders: Rights and fair treatment

The Board of Directors has the policy for shareholders to collaborate and suggest for the Company's operations, we therefore provide the rights for shareholders e.g. the right to getting sufficient information, be in time with appropriate to make decision, to attend and vote in the shareholders meetings to decide the Company's major policy changes, to elect and remove member of the board, to approve external auditor appointments and to receive shard profits. Shareholders are the owners of the company. They control the Company by appointing the board of directors to act as their representatives. Shareholders are eligible to make decisions on any of significant corporate changes including to be furnished with sufficient Company's operation information for decision making. Moreover, shareholders own the rights to attend shareholders meetings to vote on director election/ removal, appoint the external auditor and the issues to have effects to the Company such as dividend allocations, amendments to the company's articles of association or the company's bylaws, capital increases of decreases, and the approval of extraordinary transactions, etc.

1. The Company shall provide the information on the date, time, venue and agenda items with complete support data, and the issues for decision to all shareholders at least 21 days prior to the meeting. The information also shall be posted in the Company's website both in Thai and English.
2. The Company has developed the annual shareholders meeting process to correspond with the good operations care and control principle as follows:
 - 2.1 To certify the Minutes of previous Meeting.
 - 2.2 To acknowledge the Company's performance for the past year.
 - 2.3 To approve the balance sheet and the profit and loss statement for the accounting period end on December 31 of the past year.
 - 2.4 To consider the allocation of profits from the business performance of the past year.
 - 2.5 To Consider the appointment of directors in place of those who retiring by rotation
 - 2.6 To consider the remuneration of directors.
 - 2.7 To consider the appointment of the Company's auditor and determine his/her remuneration
 - 2.8 Other business, opportunity for shareholders to ask on their intention issues and/or the board give answers and/or declaration to shareholders without voting
3. The company shall facilitate the participation of shareholders in the meeting. The meeting venue shall be in Head Office accessible and can accommodate all shareholders along with providing adequate personnel and technology for monitoring the registration documents for the meeting including the duty stamps for proxy shareholders shall be provided.
4. The Company shall allocate appropriate time for discussion and encourage shareholders to express their opinions and ask questions related to the Company's operation.
5. All directors and executives shall attend shareholders' meetings and reply questions.

2. Equitable Treatment of Shareholders

The Board of Directors has the policy to provide shareholders supervise the company and its performance by giving opportunities to protect the shareholders rights, equitable treatment and fairness.

1. Shareholders shall have the right to propose issues to include to the shareholders meeting agenda in accordance with the rule posted in the Company's website <http://www.seafco.co.th>. The issues shall be proposed within March every year.
2. Shareholders shall have the right to nominate persons for the Board of director elections in accordance with the rule posted in the Company's website <http://www.seafco.co.th>. The nominations shall be proposed within March every year.
3. No additional meeting agendas/ substantial information changes shall be included or made to meetings without prior notice to shareholders.
4. Shareholders who cannot attend meeting may appoint grantee with the power of attorney which indicates voting. The Company shall propose at least an independent director to be the grantee's choice.
5. Shareholders shall have the right to elect on individual director. Voting shall be with ballots to be transparent and checkable.
6. The Company has imposed the internal information application rule to prevent the directors, executives and staff to use the internal information for their own/ other persons' interests inappropriately. The approach and policy have been noticed to all staffs to observe with the follow-up conducted regularly.

7. The directors and executives shall disclose their interests and related person for the Board of Directors to consider the operations probably having conflicts of interest and to decide for the Company's interest in overall. The directors and executives who have any interest on the transaction relevant the company, should not concern in the decision making on such transaction and would be following the process or measure of consider approval on related transaction of the company.
8. The Board has a policy regarding securities trading of the company and reporting method to implement by the board, executive and staff can access inside information and the board and relevant executives have to prepare and submit report of securities holding of the company in accordance with the regulation of the Securities and Exchange Commission.
9. The Board of Directors shall complete the minutes and inform to shareholders via the Company's website within 14 days since meeting.

3. Roles of the Stakeholders

The Board of Directors has the policy to promote the cooperation between the Company and stakeholders having strengthened the company's performance including taking care of stakeholder base on the rights of related laws.

The Company's stakeholders are clients, employees, suppliers, shareholders/investors, creditors, competitors and the community the Company operates in, either a public/government sector.

1. The Company has developed a Code of conduct handbook and imposed for all directors, executives and staff to acknowledge and observe. Offences to the manual's provisions shall be penalized.
2. The Company has the policy to upgrade to quality of life in workplace for all the employees to have better livings and work safeties there.
3. The Board of Directors has adopted the mechanism to protect the rights of the complainant in the committed legal offences, balance sheet validity, defected internal control system of ethics offences which can be via the President directly.
4. The Company shall compensate the stakeholders who are damaged by the Company's infringement to their stakeholder rights as per the law and per specified in the Code of Conduct handbook.
5. The Board of Directors has announced the directors, executives and staff who know the inside information which may have effects to the changes of the security prices shall refrain from security exchange in the 1 month period prior the Company announces the operation performance/disclose the inside information to public and after the news report and the financial statements for at least three days.

4. Disclosure & Transparency

The Board of Directors shall disclose the Company's financial information and other information on the Company's business and operation performance which shall be true, complete, sufficient, and timely to show the Company's true financial and enterprising status including the future of the Company's business.

The Board of Directors is committed to take care and control for compliance with the laws, rules and regulations on information disclosure and transparency as follows:

1. Shall disseminate the information as per specified via the SET channel, form 56-1 and The annual report (form 56-2) as well as via the Company's website both in Thai and English.
2. Shall report the result of the corporate governance policy via the form 56-1 and the annual report (form 56-2)

3. To comply with the SET's announcement on the approach, condition and reporting of the disclosure of the financial statuses and operation performances, the Company has set to disclose via the form 56-1 e.g. (1) general information (2) risk factors (3) nature of business operation (4) individual product lines enterprising (5) the assets used for enterprising (6) legal conflicts (7) capital structure (8) management (9) internal control (10) related transaction (11) financial status and operation performance and (12) the other information relevant.
4. Shall provide a statement of its responsibilities concerning the company's financial reports.
5. Shall disclose the names of members and roles of the Board of Directors and sub-committees, the number of meetings and the attendance of each director during the year.
6. Shall disclose all the remuneration paid of each director including the fees for being the subsidiary directors and other positions such as advisors etc. Also, the remuneration of the first 4 executives starting from the president shall be disclosed in the annual report (form 56-2) and form 56-1
7. Disclosure & the Disclosing Authority
 - 7.1 information disclosure as required by SET's rule
 - 7.1.1 The Company has the investor relation section to contact with outsiders such as shareholders, institutional investors, individual investors, analysts, related government agencies as follows:
 - (1) To disclose the substantial information to public.
 - (2) To widely disseminate information to public.
 - (3) To clarify against rumors/to news.
 - (4) To act when security exchange is unusual.
 - (5) To exchange security with insider trading on validly, sufficiently, timely, transparently, equitably and fairly.

The Company authorizes the following persons for the information disclosure – the president.
 - 7.1.2 The Company's contact persons for SET are
 - (1) President or the company secretary – For disclosure of the financial information which shall include annual and quarterly balance sheets, form 56-1 and annual report(form 56-2)
 - (2) President or the company secretary – For disclosure of the situational information which shall include to the acquired/ released assets, related transaction, shareholders, meeting date, director/auditor change, the Company's head office relocation, shareholders meeting minutes, investment projects etc.
 - 7.2 The general information for organizational management shall be released to mass media by the president.
8. The directors' and executives' security holdings and security holding changes shall be reported as per the Securities and Exchange Commission Thailand's criteria.
9. The Board of Directors and first 4 executives starting from president shall report their interests and the related persons to the chairmen and chairman of audit committee as per the Securities and Exchange Commission Act B.E.2551.

10. The Board of Directors has lodged a risk management system having coverage to the vision, target, business strategy, finance, production and other areas for all with consideration to the occurrence probabilities and degrees of effect; has imposed the anti-measures and assigned the persons to be responsible for. Also the report and evaluation measures have been imposed together with the risks management committee has been adopted for planning and reporting the result of the actions by the plan to the Risk management committee regularly.
11. The Board of Directors has adopted the internal control system having coverage to the financial, work operations and the applicable codes, rules and regulations compliance areas for all together with has adopted the audit and balancing mechanism being sufficiently effective to regularly protect and take care of the shareholders' investment and the Company assets. The practices instruction shall be in writing and supported with independent internal audit unit directly reporting to the audit committee and auditing all sections' practices are as per the instructions.

5. General Shareholders' Meeting

In 2014, the company has arranged the general meeting of shareholders on 17 April 2014 at 9.30 A.M. at the conference room of the company No 144, Prayasuren Rd. (Ramintra 109 Rd.), Bangchan, Klong Sam Wah, Bangkok. The board of directors of the company has a policy to have the shareholders take part in the decision making and have provided the shareholders with information completely, timely and sufficiently for the decision making. The company has sent the letter of invitation to the meeting, together with supporting information for the agenda to the shareholders in advance of the meeting. Each agenda is required to be provided with the opinion of the board of directors. The meeting has been attended by nine directors, including the chairman of the audit committee, the chairman of the corporate governance and recruitment committee and the chairman of the compensation committee and the company has the top executives, the auditor and independent observers from the Thai Investors Promotion Association attend the meeting as well.

The chairman of the meeting provided an opportunity to every shareholder equally to examine the business undertaken by the company and has replied to the inquiries to each agenda. The chairman of the meeting has encouraged the shareholders to express their opinion and to ask for clarification related to the operation of the company. In addition, the board of directors has arranged the minutes of the meeting and disclosed such minutes in the website of the company within 14 days since the meeting date so the shareholders are able to examine and make a correction within 30 days.

6. Leadership and Vision

The Board of Directors has participated in the establishment of vision, mission statements, strategy, goal, business plan, and budget of the company as well as supervising the management to perform according to its business plan, and established budget efficiently and effectively in order to maximize the economic value, and security to the shareholders.

7. Conflict of Interests

The company has policy to prevent conflict of interest by establishing policy and procedures in writing for the approval of related party transaction. The Board of Directors and the Audit Committee shall control and examine said transactions and provide disclosure within the Note to Financial Statement, Annual Report, and Form 56-1. In addition, the Board and the Committee shall supervise management and related party to comply to Section 59 of the Securities and Securities Exchange Act of BE 2535 relating to Disclosure of Security Holding and the Prohibition of Exploiting Insider Information for Self Interest.

8. Business Ethics

The board of directors of the Company has a policy to promote morality, ethics and transparency by focusing on ethically business operations in all aspects and in compliance with good governance principles to achieve good governance organization. The Company, therefore create business ethics and fair operation practices manual as followings

8.1 Business Ethics

The Company Board applies the sufficiency economy and sustainable business operation principles to be the Company's business operation approach to conceive honesty, be responsible and protect the stakeholders' interests. Opportunities are provided to stakeholders to take part in and make suggestions to the operations care and control as the mechanism and process for effective control leading to a true governance in the Company. The ethics shall be as follows:

1. To comply with the applicable laws, rules and regulation strictly.
2. To comply with the Company's "Corporate Governance policy" and "Code of Conduct".
3. To be committed to operate business with transparency, honesty and fairness.
4. To adhere to conduct as good people and establish good minds to employees.
5. To concern of the benefits and effects from operations with social equality and fairness to the Company's stakeholders.
6. To operate business with responsibility and protection of the stakeholder's and interests.
7. To organize a strong operation system to prevent corruptions with an internal audit system.
8. To require the Company's directors, executives and staff for all to participate in the anti-corruption effort, conflicts of interest reporting, efficient contacts and working life quality promotions.
9. To provide a channel for complaints and hearing for stakeholders and have the complainers/ informants protection measure.

8.2 Ethics of the Board of Directors

The Company intends for the board of directors, sub-committees and subsidiaries' directors to perform their duties to operate with ethics, conduct or maintain their performance carefully, prudently and with honesty, to optimize the continuous and sustainable business operation of the company and stakeholders, as follows:

1. **Compliance with laws and the Company's regulation**

1.1 Compliance with rules, regulations and laws involved with the Company's business shall be as follows:

- (1) Directors, executives and staff shall comply with the laws, rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.
- (2) Directors, executives and staff shall not avoid compliance with the applicable orders, rules and laws.
- (3) Directors, executives and staff shall co-operate with the company' corporate governance unit and report about violation against order, rule and laws to the unit.

1.2 Duty performance shall be conducted with impartially i.e. in meetings when to discuss an issue the director who has conflict of interest shall leave the meeting room and shall refrain from participation in the issue decision.

1.3 To avoid a conflict of interest for a business reveal and efficiency by :

- (1) To forbid give other information about business for a individual benefit
- (2) To prohibit use a secret of organization that illegal and to forbid other secret information of organization when you expire of business of the organization then.
- (3) Do not acquire the personal interests from being directors.
- (4) Do not create obligation that may conflict with their duties in the future.
- (5) Do not receive anything or other benefit in conflict of the organization.

1.4 Keep the confidentiality of corporate information, to prevent, that may cause damage to the organization or stakeholders, except in accordance with the law.

1.5 Acquisitions or disposition of Assets of the directors, their spouses and minor child, should be practice in accordance with the Notification of the Board of Governors of the SET title Practices regarding the Acquisition or Disposition of Assets of the Directors and Staff B.E. 2547.

2. Conflict of interest and confidential information keeping

2.1 Conflict of interest

The Company has the policy that the directors, executives and staff shall not use the opportunities from their status in the Company to acquire personal interests eventually imposes the practices as follows:

- (1) They shall avoid a transacting having involvement with themselves which may cause the conflict of interest to the Company.
- (2) In case such transacting is needed for the Company's interest it shall be carried out as if a transacting with an outsider having trade agreement reasonably same as transacting contracts in general over a trading negotiation authority with no influence from being directors, executives or related persons and not participating in a consideration for approval including having to comply the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission on the transaction information disclosure.
- (3) A Director, executive or staff if becomes a director, partner or advisor in other organization; status shall not conflict the Company's interest and his/her direct role in the Company.
- (4) A Transaction which has or may have conflict of interest between shareholder, director, executive or other person shall comply with the standard practice and be ensured it is fair, reasonable and fully and correctly disclose; and the company will arrange report form for disclosing suspected transactions that there will be conflict with interest of the company into the Corporate Governance handbook.
- (5) Person who has conflicts with the Company's business, directly or indirectly howsoever, shall report the interest as follows:

5.1 Directors and executives – Shall report the interest immediately after it arises. To ensure that the company conducts regular checks; the Company's secretary shall check interest every year end and report to the Chairman and Chairman of the audit at least once a year.

- (6) A director, executive and staff who know the inside information shall comply with rules. The responsible directors and executives shall report the security holdings under the regulations of the Securities and Exchange Commission to the Board regularly.
- (6) The Company has announced the directors, executives and staff who know the inside information which may have effect to changes of the security exchange prices shall refrain from the Company

security exchange one month prior.

- (7) The Company has announced the directors, executives and staff who know the inside information which may have effect to changes of the security exchange prices shall refrain from the Company security exchange one month prior the Company announces the financial statement or the inside information disclosure to public.
- (8) To monitor interest of the directors, executives and involved persons who have interest with the Company and subsidiaries under the other criteria imposed.
- (9) In case a related person involves or hold shares in an enterprise competing with the Company which probably incurring conflict of interest with the Company should act as follow:

2.2 The use of inside information

- (1) Directors, executives and staff shall not use the opportunity or information obtained from their status to acquire personal interest for themselves, for other party or for operating a business competing with the company and/or the Company's other business involved.
- (2) The Company's inside information shall not be used for personal interest in the Company's security exchange or furnished to other people for buying or selling company shares.
- (3) The Company's properties shall not be used for personal interests.
- (4) The Company's information shall not be used as the outsider's reference for personal interests.
- (5) The Company's business confidential information shall not be disclosed to outsiders particularly competitors even after the directors, executives or staff have expired from position.

3. **Responsibility to the Company's properties**

The Company promotes the executives and staff to use the Company's resources and properties effectively to enhance competitiveness and good services to clients, by determining the following practices:

1. The Company's assets and resources shall be used saving and most beneficially.
2. Employees shall collaboratively take care the Company's assets are not to be depreciated/lost illegally.

3.1 Documentation

1. Documentations shall be executed with honesty, prudence and compliance with the specified standard.
2. The Company's letters, reports and documents shall not be falsified.

3.2 Computers & Information Technology System use

1. Computers, IT systems and information shall be deemed as the Company's properties. Executives and staff should not use computers and it systems for personal purposes.
2. Executives and staff shall not disclose the Company's business information including the information been purchased by company both existing and not existing in the Company's information system or copy the information to their personal devices without permission.
3. Executives and staff shall not modify, reproduce, erase or destroy the Company's information without permission.
4. Executives and staff shall not bring unlicensed software to the Company to use and shall not copy licensed software for any reason whatsoever without the software producer's consent.
5. Executives and staff shall not modify the Company's hardware or put on equipment other than the standard parts/equipment readily provided unless consented case by case.

6. Executives and staff shall not use the Company's email to forward message which are harassing, discrediting, rude, obscene, intimidating, agitating or annoying to others.
7. Executives and staff should use the internet to search for the information and knowledge useful to works and should avoid illegal or immoral websites.
8. Executives and staff should use the Company's IT system and other communication equipment such as telephones, fax machines, mobile phones etc. with conscious mind and responsibility substantially realizing the Company's interest.
9. Executives and staff shall not illegally access to the systems of information not permitted or authorized to them.
10. Executives and staff shall not spy the measure protecting data access and computer that other people prepare or that is not intended for executives and staff illegally and that is intended to use to cause damage to other people.
11. The Company or assigned section reserves the right to check the use of properties and units under/assigned by the Company as to be appropriate.

8.3 Ethics to stakeholders

The Company realizes the importance of the business operation with economic, social and environmental balances for its stable and sustainable growth to be an efficient organization and a good entity of society as suggested by the Corporate Social Responsibility guidelines. In consequence the Company is committed to enterprise with regularity and fairness, anti-corruption effort, full compliance with applicable codes and rules and concern to the operation's interests and effects to stakeholder's i.e. shareholders, staff, clients, suppliers and/or creditors, competitors and communities including shall take care for safety, health and environment for the effects shall not be incurred to all the stakeholders.

1. Policy regarding best practice on shareholders

The Company realizes the shareholders are the Company's owners and the Company's duty is to generate added value to shareholders in long term, therefore, the company determines that the directors, executives and staff shall perform according to the following guidelines;

- 1.1 Perform duty with responsibility, carefulness and honesty under reasonable decisions on the ground that the information is sufficient and correct, they have no direct and indirect interest and perform with honesty for maximum interest to the Company, they perform over the right and suitable purposes and they shall not act over conflicts of interest to the Company.
- 1.2 Comply with laws, the Company's objective and articles of association, directors' resolutions, shareholders meetings' resolutions, good practices in accordance with the corporate governance policy and code of conduct and act to shareholders equally both major and minor shareholders for their maximum interests.
- 1.3 Manage and take care of the Company's assets not to be depreciated/ lost illegally and provide an effective internal control and risk management systems.
- 1.4 Report the Company's status regularly, completely, truly and in-time to situations.
- 1.5 Furnish the Company's data, news and information truly, sufficiently, equally and in-time to shareholders for their decision-making.
- 1.6 Take care for the directors, executives and staff not to acquire their and related person's interest

by furnishing the Company's confidential information or disclosing the Company's secret to outsider and/ or performing any acts which may lead to conflicts of interest to the Company.

- 1.7 Provide the channels for irregularity informing and complaints such as website, mailbox telecommunications etc. with informing and complaint responses and complainant protection including systematic and fair feedback reports to informants and complainers.
- 1.8 Provide several channels to disclose the information as well as make a company's website to allow the shareholders to access the information conveniently and prepare the information in the easy-to-understand language both in Thai and English.

2. Policy regarding best practice on employees

- 2.1 The Company has measures to protect employees providing information to the authorities in case there is legal offence of offence against the Securities and Exchange Act. Employees will be protected. The Company will not act unfairly, either changing positions, job description, workplace, suspension of job, threat, annoying of their work, dismissing employees (Section 89/2X as employees notify clues on illegal acts or unethical acts.
- 2.2 The Company realizes employees are the essential factor for product quality consequently shall fairly give importance to the acts to them which include providing opportunity, wages, appointments, transfers and potential developments together with merits development of virtues for them to be the society's capable and good people. The Company's acts to employees shall be as follows:
 - 2.2.1 The Company shall comply with the labor laws and rules relating to employees strictly.
 - 2.2.2 The Company shall act to employees with politeness, respect to individuality and human honors in accordance with the international human rights.
 - 2.2.3 The Company shall arrange the employment conditions which are fair to employees with the wages suitable to abilities.
 - 2.2.4 The Company shall take care of the working environment and manage the working system for the employees' life and property safety and health.
 - 2.2.5 The Company shall give importance to the skill training and potential enhancement manpower development by providing to employees the learning opportunities widely and constantly.
 - 2.2.6 The Company shall have promotion, transfers, awarding and punishments to employees sincere by and based on the employees' knowledge, capability and appropriateness.
 - 2.2.7 The Company shall organize a provident fund for employees.
 - 2.2.8 The Company shall regularly furnish information on its operation and status to employees.
 - 2.2.9 The Company shall listen to the employees' opinions and suggestions based on their work skills and experiences.
 - 2.2.10 The Company shall avoid acts which are unfair, and which may have effect on stability of the employees' positions or threaten/incur pressure to mind to employees.
 - 2.2.11 The Company shall develop employees' good conscious mind to be givers and good citizens of society.
 - 2.2.12 The Company shall provide channels for employees to file complaints in case they are treated unfairly or inform offences against the law. The Company shall have systematic and fair rectification process and measures to protect the complainants.

2.2.13 The Company and its delegate shall support employees to use their political rights with neutrality.

3. Policy regarding best practice on clients

The Company has the policy to give importance to the clients' satisfactions fulfillment which is the factor to lead to business achievement and intends to acquire the clients' requirement more effective fulfillment. To achieve, the policies and practices below shall be followed:

- 3.1 Deliver quality work as agreed with the customers in fair price.
- 3.2 Provide consultation on geotechnical engineering and information adequately, correctly and up-to-date
The terms
- 3.3 conditions with clients shall be complied with strictly. In case it is not possible to do so, the company shall report to client to collaborate jointly to solve the problem.
- 3.4 The acts to clients shall be polite and reliable.
- 3.5 A client's information storage system shall be available with a clients' confidential protection measure.
A client's information shall not be furnished if not allowed by him as well as a client's information shall not be used for an employee's or his/her related person's interest inappropriately.
- 3.6 Guarantee its products under proper conditions and duration and comply with Customer Protection Act .
- 3.7 A system/ process for clients to complain on product's and service's qualities, quantities and safeties shall be provided together with the response fastness and actions to the end for immediate responses to clients.
- 3.8 The Company shall support the clients' acts for the social responsibility.
- 3.9 Keep customers' confidentiality and do not wrongfully utilize the information for the benefits.

4. Policy regarding best practice on suppliers and/ or creditors

The Company has the policy to act to suppliers and creditors equitably and fairly over the regard to the company's interest maximization and based on fair returns to both sides avoiding the conflict of interest situation including complying with agreements, furnishing true information and valid reports and based on business relationship as follows:

- 4.1 The Company shall act to clients equitably and fairly.
- 4.2 The Company shall use the licensed products and services and shall not support the products/ services which violate intellectual property right.
- 4.3 Acceptance of things or other benefits
 - 4.3.1 Executives and staff shall not accept things or other benefits from a person having duty/ business relating the Company except for a reasonable opportunity/ tradition acceptable to public. The things or benefit's value shall not exceed 2,000 Baht and shall be reported to supervisor immediately together with it shall not have influence to a decision being unfair for work.
 - 4.3.2 The Acceptance of things or benefits which do not corresponding with the item 3.1 but necessitated for maintaining relationship between entities/persons, the receiver shall report his/her supervisor and submit that things to the administration, government affairs and corporate social responsibility section to use in the business organization within 14 official days.

- 4.4 Executives and staff shall not offer things or benefits in any forms to outsiders to convince for inappropriate acts/ causing conflicts.
- 4.5 In case there arise information that there is an irregular interest request, acceptance or furnishing happened the detail shall be disclosed to the suppliers and the parties shall collaborate to solve the problem fairly and immediately together with acquire a preventive measure.
- 4.6 The conditions agreed with the suppliers and/ or creditors shall be complied with strictly.
- 4.7 In case a condition cannot be complied with, a prior notice shall be made to collaborate for problem solving.
- 4.8 Opportunities shall be provided to the suppliers who operating business legally, complying with environmental/ safety/ health standards and having social responsibility.
- 4.9 The Company shall support the suppliers' operations on the social responsibility and provide opportunities for them to participate in the Company's activities for society.

5. Policy regarding best practice on business competitors

The Company has the policy to act to business competitors under the business competition practice code framework and shall not cheatingly infringe/ spy the business competitor' secrets as follows:

- 5.1 The Company shall conduct and practice within a good competition, free trade promotion and the company shall not use the method of market plunging.
- 5.2 Do not violate or acquire trade secret by wrongful means
- 5.3 Adhere to ethical business operation. Do not steal the customers from the competitors by dumping/ price war method.
- 5.4 The Company shall not discredit the business competitors with allegations.
- 5.5 The Company shall not conduct intellectual property/ copyright.

6. Safety, health and environment

The Company is committed to operate the business basis on safety, health and good environment with the practices as follows:

- 6.1 The Company shall comply with the safety, health and environmental laws and rules.
- 6.2 The Company shall utilize resources efficiently and worthily with energy saving and resources recycling promotion measures.
- 6.3 The Company shall provide an operation system focusing on appropriate measures for safety and health in workplace such as providing the system to counter probable pollutions arising during operation, arranging workplaces to be clean and hygienic etc. for the employees and visitors to be safe from accidents and diseases.
- 6.4 Executives and staff shall be truly attentive to the activities for the quality of safety, health and environment and perform works with realization to safety and concern to environment always.
- 6.5 The Company shall disclose the information on the operations in connection with safety, health and environment.

7. Community and Social Responsibility

The Company is committed to behave as good citizens of Thai society and be ready to cooperate with other organizations, both public and private, civil society including shall encourage the stakeholders to collaborate the community development and social sustainability as follows:

- 7.1 Initiate preventive/corrective measure to be followed when the Company's operation has adverse effects to the environment and community.
- 7.2 Support the education by providing scholarship to students in needs.
- 7.3 Organize volunteer activity by encouraging employee to participate and support the employee to practice beneficence in order to develop his/her volunteer spirits and become good citizens.
- 7.4 Coordinate with various organizations in the community in order to develop infrastructure for schools, religious places and hygienic practices for youth and underprivileged as well as environment in the community.
- 7.5 Always communicate with the community. Disseminate and report social responsibilities practice to every stakeholder.
- 7.6 Promote Buddhism by establishing Willpower Institute, branch no. 47 to improve people's mentality as it is believed that when people adhere to dharma, the society will be better.

8. Acceptance of complaints about financial statement falsification, frauds and corruptions

Fraud means any act for seeking undue interests for oneself or others by illegal means. For example, embezzlement for one's own gain or other people's gain.

- 1.) Corruption means demand for, accept from, give, or promise to give bribes in the form of money, property or interests to any employee of government agency, private firm, person or group of persons in exchange for malfeasance, nonfeasance, or speedy or delayed actions for the benefit of the company, except for offer of small gifts according to tradition.
- 2.) Falsification of financial statement means giving false information or covering up facts which should be disclosed for the acquisition of property from deceived persons or third parties or for tricking any persons or third parties into making, withdrawing or destroying any deeds or ownership documents.

8.1 Any persons who know that any director, employer or anyone in the company commits fraud, corruption or falsification of financial statement may lodge a complaint.

8.2 Channels for lodging complaint or submitting report

- Contact the Chairman of the Audit Committee.
 E-mail siwasangmanee@gmail.com
 Fax 0-2518-3082
 By post Seafo PLC.
 144 Prayasuren Rd., Bangchan, Khlong Sam Wah, Bangkok 10510
- Contact the Chairman of the Executive Committee.
 E-mail narong@seafco.co.th
 Fax 0-2518-3082
 By post Seafo PLC.
 144 Prayasuren Rd., Bangchan, Khlong Sam Wah, Bangkok 10510

8.3 Actions after Receiving a Complaint:

An Investigation Committee comprising independent directors and internal auditors will be formed to conduct investigation. If the investigation shows that the person is guilty, the company will take disciplinary actions and/or legal actions against such wrongdoer.



8.4 The complainant and related persons will be kept anonymous and protected by the Company; they will not be transferred, threatened or dismissed.

8.4 Employees' Ethics

1. Best practice on themselves
 - 1.1 Employees shall carry out works with honesty, regularity and report the facts.
 - 1.2 Employees shall respect and comply with laws and the Company's rules and regulations.
 - 1.3 Employees shall carry out work with care, honesty and regularity and shall not employ their positions to acquire interest inappropriately.
2. Best Practice on clients, related persons and society
 - 2.1 Deliver the work on time in accordance with customer's specification
 - 2.2 Employees shall comply with safety rules.
 - 2.3 Accept the mistake and make a correction for the customers
 - 2.4 Employees shall not disclose client's information without client's prior consent.
 - 2.5 Employees shall participate in the Company's activities.
3. Best Practice on colleagues
 - 3.1 Employees shall not solicit or convince colleagues' decisions on political right.
 - 3.2 Employees shall be benevolent to colleagues and shall cooperate with colleagues appropriately.
 - 3.3 Employees shall use their rights to express opinions politely and properly.
4. Best practice on the company
 - 4.1 Employees shall carry out work with responsibility and full capability.
 - 4.2 Employees shall use the Company's assets and facilities with care.
 - 4.3 Employees shall be attentive to learning for the development to progress.
 - 4.4 Employees shall pursue information and news to use as reliable reference at conversation.
 - 4.5 Employees shall wear protective equipment as per the Company instructs.
 - 4.6 Political right. The Company operates the business with political neutrality, not participating and siding to certain political party, influential political leader and not using the company's capital, resource to support political parties, politician directly or indirectly howsoever.

Supervision in Acting and Reviewing

The company has defined all the directors, executives and staff to shall have the duty and responsibility to acknowledge, make understanding and comply with the policies stipulated in this code of conduct handbook strictly, non-compliance is voluntary, do not refuse on acknowledgement based on established guidelines.

Executives at all levels in the organization must be responsible and it is important to operate under the supervision of their employees to understand and follow the code of conduct handbook seriously.

The Company does not wish to make any action that is illegal, contrary to the principles of good directors and employees who breach ethical requirements, disciplinary action will be strictly and if it is done, to believe that the laws, rules and regulations of government, the company will submit the matter to government officials to proceed immediately.

The code of conduct handbook shall be reviewed annually by the Board of Directors and the Audit and Corporate Governance committee

Complaints handling on issue relating to business ethics

The secretary of the Board department is nominated as a point of contact to receive the complaint on business ethics. Employees can send their complaints on business ethics directly to

By post:

Complaints corporate governance and business ethics, secretary of the Board department
Seafco Public Company Limited
144 Prayasuren Road, Bangchun sub-district, Khlong Sam Wa district, Bangkok 10510
E-mail : ANEK@SEAFCO.CO.TH

2.2 Fair business operation

The Company's board of directors has a policy to adhere to policy fair practice to trade competitor with integrity, not violate intellectual property, and promote political rights as well as keeping its commitment to the Company's stakeholders as follows

2.2.1 Fair competition. Follow the conditions as agreed with the partners of the contract both debtors and creditors strictly and fairly as committed for business cooperation as following

- (1) Specify conditions and agreements in the contractual contract or buying or purchasing contract clearly and strictly follow the conditions. In case the conditions was unable to be followed, urgently inform the reasons to the partners of the contract and find the solution that satisfies both parties.
- (2) Always Give information, provide research work and new innovation to interest parties and customers.
- (3) Deliver quality work on time at fair price to the customers as agreed and do not set selling price in an exorbitant prices.

2.2.2 Promote trade partner responsibilities

- (1) Promote trade partner responsibilities for employers, sellers and contractors to be able to participate in social activities both directly and indirectly.
- (2) Verify conflict of interests of employees at all levels with contractual employers, contractors, sellers consistently to prevent unfair and inequality business operation between each contractual employers, contractors and sellers.
- (3) Provide knowledge on fair labor practices and compliance to labor law to trade partners including outsources, contractors, sellers as well as follow up their performance.

2.2.3 Respect the right on property, promote and strictly comply with rights on property, intellectual property, copyright, patent and moral right by including it in the ethical policy of the Company. Refraining from using pirate software, promoting the employees to use the Company's resource and property effectively.

2.2.4 Political right. The Company conducts its business in neutral way, not engage in any political activity and independence from political parties or authoritarians. The Company do not use its budget or resource to support any political movement or allow its management or employees

to use its power by any means. The Company provides the opportunity to exercise their political rights freely without any persuasions or influences.

2.3 Anti-corruption

The board of directors has a anti-corruption policy regarding receiving gifts or benefits which may decision making to be unfair, affecting his/her performance and bribery in business ethics manual.

2.4 Respect Human right

The board of directors gives importance and adheres to sustainable business by considering and respecting human rights and employees' dignity which is a foundation of good business operation.

- 2.4.1 The Company has employee protection measure in relation to providing employee's information to the government if the employee violates the law or Security and Exchange Act. The employee shall be protect against unfairness including relocating the employees to different positions, nature of work, location and being suspended from work due to reporting evidences on illegal or unethical acts.
- 2.4.2 Employees are an important factor contributing to quality work. The Company, therefore treats the employee with equality in terms of opportunities and benefits, promotion and employee development for the employees to become professional and good citizens.
- 2.4.3 The Company aware of human rights and will not violate basic rights on races, sex, children, disability and etc.

2.5 Participation in community and society development

The Company focuses on becoming good social citizen and ready to coordinate with governmental, private organization and civil society. The Company also promotes the engagement of the Company's stakeholders on community and society development by complying with the following guidelines

- 2.5.1 Initiate preventive/corrective measure to be followed when the Company's operation has adverse effects to the environment and community.
- 2.5.2 Support the education by providing scholarship to students in needs.
- 2.5.3 Organize volunteer activity by encouraging employee to participate and support the employee to practice beneficence in order to develop his/her volunteer spirits and become good citizens.
- 2.5.4 Coordinate with various organizations in the community in order to develop infrastructure for schools, religious places and hygienic practices for youth and underprivileged as well as environment in the community.
- 2.5.5 Always communicate with the community. Disseminate and report social responsibilities practice to every stakeholder.
- 2.5.6 Promote Buddhism by establishing Willpower Institute, branch no. 47 to improve people's mentality as it is believed that when people adhere to dharma, the society will be better.

2.6 Environmental responsibility

The Company aims to conduct its business on occupational safety and good environment basis by following the guideline below

- 2.6.1 Comply with law and regulation and occupational safety and environment.
- 2.6.2 Utilize natural resources effectively and efficiently. Initiate energy saving measure and promote reuse procedure.

- 2.6.3 Organize work process which is safe and hygienic in appropriated working facility such as making pollution prevention system available, providing hygienic working conditions for workers and visitors in order to prevent them from accidents and diseases.
- 2.6.4 Stipulate that the management and the employee must pay attention to every activity that will promote occupational safety and environments, aware of safety and environment at all times while working.
- 2.6.5 Disclose information on relationship between business operation and occupational safety and environment.

3. Business operation that affects social responsibility

The Company recognizes the important of social and environmental activities by focusing on developing people in the community around the Company and employees. The Company believes that people are the beginning of everything. Good or bad society depends on people, good or bad work also depends on people. Corruption or steal are also depended on people. Sustainable business also depends on people so the Company initiates the following projects.

1. Establish Willpower Institute, branch no. 47 on July 14, 2012. The course provided by Willpower Institute is meditation instructor course which currently in 3rd batch. This course benefit in spiritual training for mindfulness. After a person becomes a mindfulness person, he/she will be able to do his/her work effectively and he/she will be able to distinguish between good and bad so that he/she will be able to refrain from mischief.
2. Provide scholarship to students. The Company provided scholarship to undergraduate students from 2007 onwards. Currently, the Company grants the scholarship to Ms. Somprasong Kongchan, undergraduate student in Faculty of Architecture, Program in Architecture and Technology Planning. King Mongkut's Institute of Technology Ladkrabang.

In 2014, the Company provides scholarship to the employees in every department who wants to pursue their master degree. Prior applying for scholarship, the employee shall pass meditation instructor course offered by Willpower Institute, branch no. 47 (the Company's branch). The Company believes that person passing this course shall have good mind appropriated to be promoted for development.

3. Social and environmental activity for 2014 are as followings
 - 3.1 White Factory Project is a project for anti-drugs usage in the factory. The Company has various segments of employees as well as having foreign workers resulting in higher chances to commit crime and drug abuse. Therefore, the Company initiates White Factory project in 2014.
 - 3.2 Renovation of school after flooding crisis in Prathumthani province with Thai Listed Companies Association. It is found that after flooding crisis until now, schools in flooding area have not been yet renovated. Therefore, the Company participates in this project.
 - 3.3 Project to promote virtue, ethics and local culture which is a continuing project after meditation teacher course offered by Willpower Institute, branch no. 47 which aim to expand to community around the Company's area by collaborating to organizing activities together to promote good culture in the society. This project is expected to establish in 2014.



4. Sustainable development

In 2014, we ensured transparency and good governance through prevention of frauds and encouragement of report on frauds and corruption; we took care of employees, the society and the environment and offered knowledge and education to the public, as follows:

Development of personnel of good conduct and extensive knowledge.

We believe that people who are taught morality and ethics have good hearts. People with good hearts can make the country prosper. We have made the following contributions:

1. Meditation School

We established Chittanuparp Meditation School in 2012. We have trained 3 groups of students. We believe that people who have undergone spiritual training will have calm minds and be afraid to commit sinful acts. Continuous practice will give good results. The people who have completed the course say they are more calm, moral and healthier; sleep better and work better. We will continue to teach meditation to turn out as many good people as possible to better our society.

2. Scholarship

From 2004, we offered scholarship to needy employees and students to enable them to study for Master's Degree and Doctorate at King Mongkut's Institute of Technology and AIT on the conditions that they complete the meditation course first. We also send our employees to study engineering at Hong Kong University of Science and Technology. So far, one employee have completed a doctorate program.

3. House of Knowledge

3.1 We send our engineers to undergo training in soil data determination and design for piling at the Engineering Institute of Thailand under Royal Patronage.

3.2 We and the Engineering Institute of Thailand jointly offer trainings and seminars, hold technological exhibitions and the first National Land Engineering Meeting.

3.3 We published land engineering papers for local and overseas distribution. We send our employees to offer lectures in many institutes in 2014:

- Mr. Narong Thasnanipan, President: was invited to speak at technological exhibitions and the first National Land Engineering Meeting.
- Mr. Zaw Zaw Aye, Executive Vice President: gave a lecture to the executives and engineers of CQHP in Yangon, Myanmar on 13 March 2014.
- Mr. Zaw Zaw Aye, Executive Vice President: gave a special lecture on foundation and deep excavation to Master's Degree students at Yangon Institute of Technology and Department of Applied Geology, Yangong University.
- Dr. Chalernpol Techakamtorn, Engineer: gave a lecture on piling at the PEA.
- Dr. Tayanon Bunyarak, Engineer: gave a special lecture on production of piles and excavation of earth walls to Bachelor's Degree students at King Mongkut's Institute of Technology, Thonburi.

3.4 We accept students for apprenticeship in engineering, computer science, accounting and other fields every year.

3.5 On the Occasion of the 40th Anniversary Celebration, SEAFCO has compile all of their published papers and produced the book "Current Practices in Deep Foundations and Diaphragm Wall Construction in Thailand" and distributed to the University educated Civil Engineering.



4. We repaired schools affected by flood

We, Stock Exchange Fund for Flood and Association of Thai Listed Companies donated funds to Ban Chang School which have been hit by flood. We also improve their concrete lawn and constructed drainage along their fence and dam. We completed and delivered the work on 3 March 2015.

Seafco Co., Ltd. (Public) has arranged special projects and activities to satisfy the social needs because the company is aware of the need for participation in the social development over the past 30 years. The latest social activities are as follows.

Year 2014

- On January 10, 2014, Seafco Public Company Limited provided 30,000 baht to school under Bangkok Metropolitan Administration, Ladprao area as a support for children day activity.
- On January 26, 2014, Seafco Public Company Limited provided 10,000 baht to 11th International Youth Marathon event organized by Khon Khaen University in order to promote running to people and youth as an exercising activities to encourage youth to use their free time effectively and prevent them from drug abuse.
- On February 14, 2014, Seafco Public Company Limited made 3,000 baht contribution to The Christian Foundation for the Blind in Thailand under The Royal Patronage for Sharing Love to Blind Children in Upper-North Province project in order to build Mae Sai School for the Blind in Chiang Rai province.

Year 2013

- On July 31, 2013, the Company provided 10,000 baht scholarship to students in Suankularp Wittayalai School for 2013.
- On August 16, 2013, Seafco Public Company Limited donated 100,000 baht to build learning and rehabilitation center for special child (Minburi) and dialysis center so as to become a center to provide knowledge and rehabilitate children with special needs, general people, parents and elders in Minburi area and nearby.

- On August 19, 2013, the Company provided 30,000 baht budget for Pre-Engineering Camp organized by the Faculty of Engineering, King Mongkut's Institute of Technology Ladkrabang,
- On September 16, 2013, the Company provided equipments amounted to 40,000 baht to be used for renovation of sport stadium around Rama 9 lake community. This would be used as a recreation center for the community and for the youth to do their exercise to prevent them from drugs.

Year 2012

- Willpower Institute, Dhammamongkol Temple on Sukhumvit 101Rd., had joined with Seafco Public Company Limited to open 30th class of 6 month samanthi course, established by Luangpor Viriyang Sirintharo (Phra Dhammanmongkolyan) as Seafco's meeting room located at No. 144 Prayasuren Rd. (Ramintra 109 Rd.), Bangchan, Klong Sam Wah, Bangkok 10510. This 30th class is called Visuthitham or Tingsamo. This course is starting from 13th February 2012 in every Monday to Friday between 18.00 – 20.30 o'clock. Interested persons can contact Tel. 02-9190090-4 ext. 203, 220 and 110 and e-mail address seafco@seafco.co.th The company has turned its main meeting room into a classroom in the evening with an objective to arrange such concentration course to encourage the employees and people around the office of the company to develop their mind through concentration. That will make the society livable and kind.



- On 20 August 2012, Seafco Co., Ltd. (Public) by Miss Nutthawan Thasnanipan, deputy managing director, delivered the educational scholarship to the poor students with outstanding academic record, Faculty of Science, King Mongkut's Institute of Technology, Lard Krabang Camus to three recipients at 10,000 baht per person, totaling 30,000 baht.
- On 23 November 2012, Seafco Co., Ltd. (Public) provided a financial support to the Project "Donation to the younger brothers and sisters in Nong Somana Community" on the occasion of the 80th anniversary of the birthday of HRH Queen Sirikit in conjunction with the Engineering Institute of Thailand under the royal patronage (North 1 Branch) for 5,000 baht.
- The company has provided the educational scholarship to the poor students, Faculty of Architecture, King Mongkut Seafco Co., Ltd. (Public)'s Institute of Technology, Lard Krabang Campus, Academic Year of 2012 for one unit for 84,000 baht.



SEAFCO PUBLIC COMPANY LIMITED



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144 Phayasuren Rd., Bangchan, Khlong Sam Wah, Bangkok 10510

Tel : (662)-919-0090-7 Fax : (662)-919-0098, 518-3088

E-Mail Address : seafco@seafco.co.th Website : www.seafco.co.th