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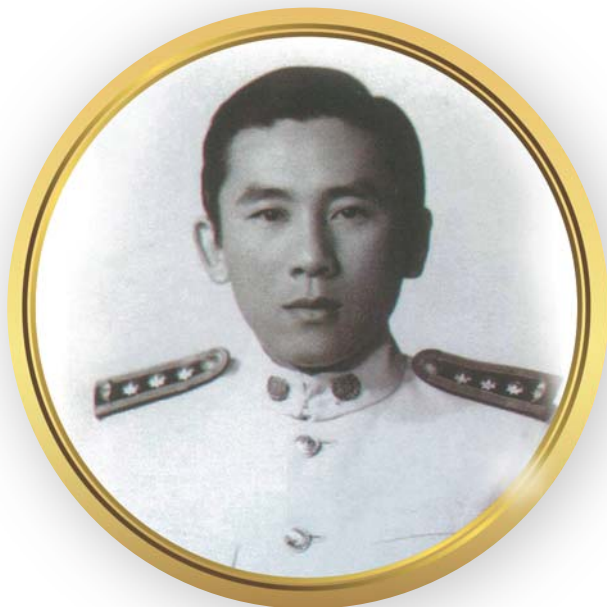


ANNUAL REPORT 2016



Seafco Public
Company
Limited





MR. SUPOT THASNANIPAN

FOUNDER





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Message from chairman

In 2016, the investment budget of the fiscal year of 2016 has been disbursed higher than that of 2015 which has supported the construction work in the public sector to expand while the construction investment by the private sector has slightly recovered but the profit of the company is a little higher than that of 2015.

The company has anticipated that in 2017 the economic stimulation package of the government through expedition in budget disbursement like that in 2016 would help the construction market to grow and the company has determined to increase its incomes and profit more than that in the preceding year.

The fact that the company is profitable is due to cooperation and support from various parties, I as the chairman of the board of directors would like to extend our gratitude to the employers, patrons and all employees for their intention to perform their duties, shareholders for their support, financial institutes and other creditors for trust in the company.



Assoc.Prof.Dr.Somjai Phagaphasvivat
Board Chairman



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Message from the Chairman of the Executive Board and President

Even though in 2016, the economic growth of the country has not reached the satisfactory level, the government has pushed the major infrastructure projects so the overall construction sector has been stimulated to some levels. As the business of the company is involved with the foundation construction which is the upstream business has been positively affected. As a result, the operating results of the company have registered at 1,863 million baht and the net profit is about 156 million baht.

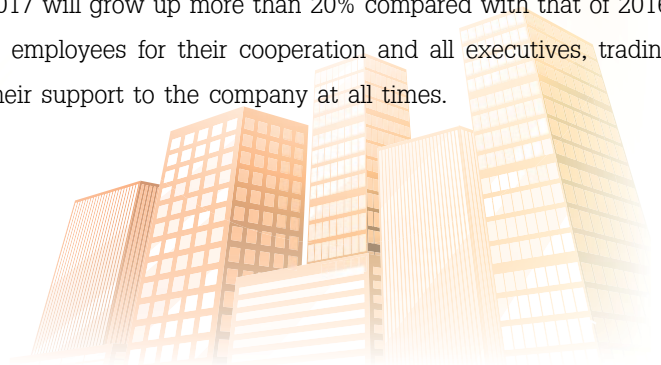
As Myanmar economy has been sluggish in 2016, the affiliated company, Seafco Myanmar Co., Ltd. has operated at loss about 3 million baht. However, it is expected that the market will be better in the fourth quarter of 2016. Seafco Myanmar Co.,Ltd. has accepted more jobs so it is anticipated that in 2017 the jobs in Myanmar will significantly increase due to the change in the government.

In 2016 the company made an investment in construction machinery for the piling work for about 15 sets, some are for replacement, some for more productivity and some for the work in Myanmar. Therefore, I expected that the overall operating results and the profit of the company in 2017 will grow up more than 20% compared with that of 2016.

Finally I would like to extend my gratitude to all employees for their cooperation and all executives, trading partners and shareholders and the financial institutes for their support to the company at all times.

Dr. Narong Thasnanipan

Chairman of the Executive Board and President





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FINANCIAL HIGHLIGHTS

		2016	2015	2014
Operating results	Million Baht			
Total Revenue		1,878	1,881	1,903
Income from hire work		1,863	1,856	1,887
Gross Profit		325	309	389
Profit from continuing operations		155	152	210
Total comprehensive income for the year		153	150	210
Financial position	Million Baht			
Total assets		1,884	1,807	1,725
Total liabilities		816	814	808
Shareholders' Equity		1,068	993	917
Financial Ratio				
Debt Ratio	Time	0.76	0.82	0.88
Gross Margin	(%)	17	17	21
Net (Loss)profit margin	(%)	8	8	11
Return on Assets	(%)	10	10	15
Return on Equity	(%)	14	15	23
Net Gearing		0.24	0.20	0.23
Earnings per share	Baht	0.51	0.50	0.72
Book value per share	Baht	3.49	3.25	3.15
Dividend per share	Baht / share	0.26	0.25	0.34

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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
Facsimile : (662) 919-0098, 518-3088
Company Home Page : www.seafco.co.th
E-Mail Address : info@seafco.co.th

Security Registrar

Company Name : Thailand Securities Depository Company Limited
Head Office Address : Floor 14, Securities Exchange of Thailand Building
93 Ratchadaphisek Road, Dindaeng, Bangkok 10400
Telephone : (66 2) 009 9000
Facsimile : (66 2) 009 9991

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 Bangkok 10110
Telephone : (662)-259-5300
Facsimile : (662)-260-1553





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Board of Directors



Assoc Prof Dr. Somjai Phagaphavivat
Chairman
Independent Director



Dr. Narong Thasnanipan
Director



Mr. Tachapong Pravesvararat
Director



Mr. Zaw Zaw Aye
Director



Miss Nutthawan Thasnanipan
Director



Mr. Padej Rujikhajorndej
Director



Mr. Kamol Singtogaw
Director



Mr. Nutthapan Thananipan
Director



Mr. Nutthapon Thasnanipan
Director



Mr. Siwa Sangmanee
Chairman of the Audit Committee
and Independent Director



Mr. Somkuan Watakeekul
Independent Director



Mr. Somkual Musig-In
Independent Director



Mr. Loyleuan Bunnag
Independent Director



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Board of Executive Officer



Dr. Narong Thasnanipan
President & CEO



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



Miss. Nutthawan Thasnanipan
Senior Executive Vice President
: Administration Group



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



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



Mr. Nutthapan Thananipan
Executive Vice President
: IT



Mr. Nutthapon Thasnanipan
Executive Vice President
: Engineering



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Board of Executive Officer (Continued)



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 PhutPhong
Vice President
: Plant Department



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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

To 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.
8. To introduce modern computer system in the management to ensure rapid and timely report.



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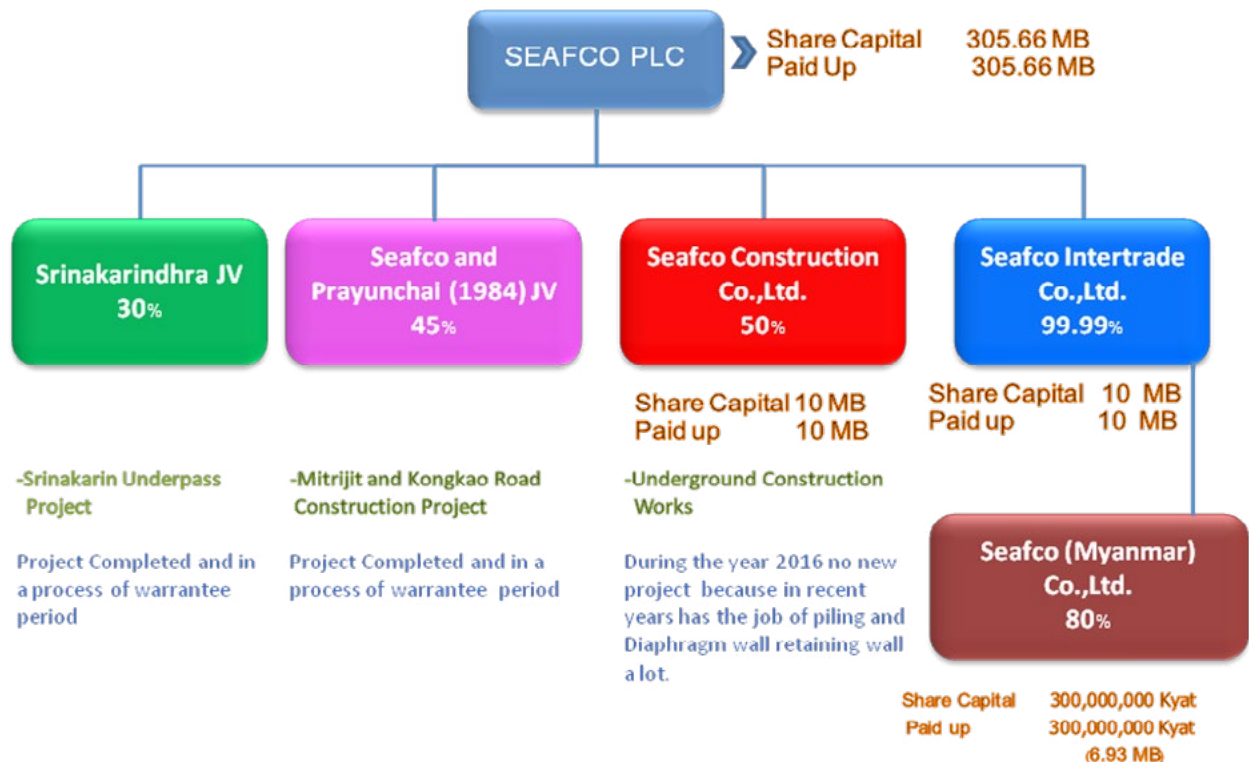
The growth target in the next three years is to increase the incomes over 10 percent each year and to maintain the margin not less than 17 percent, including foreign incomes which have accounted of 5 percent of the total incomes while growth in the sector of the government projects like the multi-colored elevated trains, double track railroad, motorway and expansion of the airports. The company has entered into several new markets such as provincial market around the country to look for the investment partners and the foreign markets like Myanmar and entry into Cambodia market in 2018.

Executive Summary

Seafco Limited (Company), whose name in English is SEAFCO Public Company Limited was incorporated on December 19, 1974 to the present for a period of 42 years and registered as a public company on March 18, 2004. the company has a long experience in the business of making a Bored pile in the country. It is recognized and accepted by the designer. Consulting engineer and owner of various projects.

On 30 April 2016, Seafco Intertrade Co., Ltd. made an additional investment in Seafco Myanmar Co., Ltd. so the total investment was 6,929,860.50 baht with the same investment portion of 80% to become a foreign company which is able to undertake the business in accordance with the laws of Myanmar government.

SEAFCO Public Company Limited group consist of :





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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 and foundation work
2. Srinakarindhra JV Construction	The Company holds 30 percent of registered and paid up share capital	This company is a joint venture between Chaiyanant 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. 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
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 10 million baht and 10 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 80 percent of 300,000,000 Kyat registered share capital (MB 6.93)	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.

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 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.



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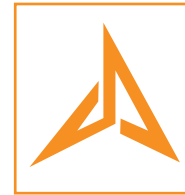
On 11 May 2015, The Company registered a decrease of capital from 291,124,377 shares to 291,110,727 shares, and on 12 May 2015 we registered an increase in capital from 291,110,727 ordinary shares at par value of 1 Baht per share, totaling 291,110,727 Baht to 305,666,263 ordinary shares at par value of 1 Baht per share, totaling 305,665,008 shares have been paid for at the value of 305,665,008 Baht.

On 6 October 2015, Seafco Intertrade Co.,Ltd. has paid for the shares and paid-up ordinary 50,000 shares at par value of 100 Baht per shares, totaling 5,000,000 Baht. Company holds 99.99 percent of the share.

On 24 December 2015, Seafco Intertrade Co.,Ltd. registered a increase of capital from 50,000 shares at par value of 100 Baht per shares, totaling 10,000,000 Baht to 100,000 ordinary shares at par value of 100 Baht per share, totaling 100,000 shares have been paid of at the value 10,000,000 Baht. Company holds 99.99 percent of the share.

On the 25th November 2015, Seafco Public Co., Ltd. Received BEST Investor Relations Awards and Outstanding Company Performance Awards from The Stock Exchange of Thailand (SET) Awards 2015.

On the 2nd February 2016, Seafco Public Co., Ltd. Received BEST Investor Relations Awards) and Outstanding Investor Relations Awards from The Stock Exchange of Thailand (SET) Awards 2016.



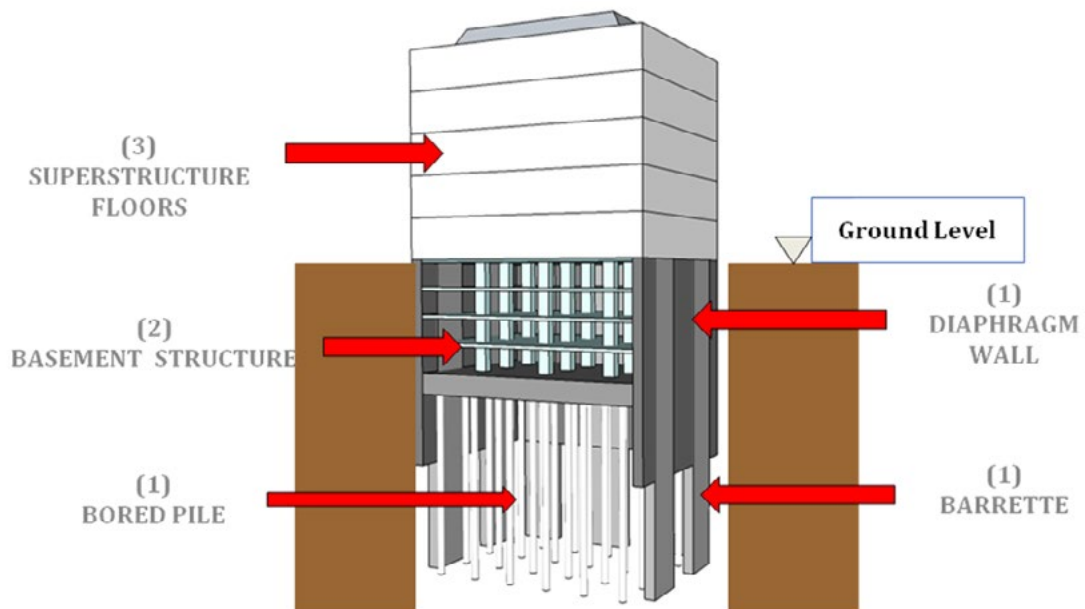
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Nature of Business

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



1. Revenue Structure of the Group by Line of Business

	Line of Business					
	2016		2015		2014	
	MB	%	MB	%	MB	%
Bored Piling and Diaphragm Wall Construction Revenue (Labor Only)	644	35%	535	29%	832	44%
Bored Piling and Diaphragm Wall Construction Revenue (Labor and Material)	1,194	64%	1,212	65%	927	49%
Total Bored Piling and Diaphragm Wall Construction	1,838	99%	1,747	94%	1,759	93%
Sub-Construction and Civil Work Revenue	5	-	6	-	31	2%
Overseas	20	1%	103	6%	97	5%
Total Revenue	<u>1,863</u>	<u>100%</u>	<u>1,856</u>	<u>100%</u>	<u>1,887</u>	<u>100%</u>



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2. Revenue Structure of the Group by Source of revenue

	2016		2015		2014	
	MB	%	MB	%	MB	%
1. Government Sector	313	17%	396	21%	671	36%
2. Private Sector	1,550	83%	1,460	79%	1,216	64%
Total	<u>1,863</u>	<u>100%</u>	<u>1,856</u>	<u>100%</u>	<u>1,887</u>	<u>100%</u>

Industry and Competition

In sum, the industry and its business trend is quite satisfactorily even though the overall construction in the past is positive, most of the growth is the construction in the public sector, particularly civil engineering work such as road, electric train and other utility works because the public sector has made a large disbursement of the capital investment. The construction in the private sector has slightly recovered due to the economic recession in the real estate sector. Nonetheless it is anticipated that the economic conditions and the purchasing power are making a positive adjustment and the government has set a high target on disbursement of the investment budget like that in the preceding year. It is expected that the price of the construction supplies will make a slight increase and the Land and Construction Tax Act in 2018 will help support the construction market in the private sector to grow while the target of the bidding process of the construction work of the public sector, particularly the telecommunication investment project, the major factor which has supported the contractors in the public sector, the quality debtors of the banks.

Key Indicators	2013	2014	2015	2016	2017 ^e	2018 ^e
1. Construction by private sector (MB)	372,965	360,654	361,712	365,618	374,760	387,870
Change (%)	4.1	-3.3	0.3	1.1	2.5	3.5
2. Construction by public sector (MB)	318,684	316,665	419,712	478,293	526,120	565,580
Change (%)	-4.1	-0.6	32.5	14.0	10.0	7.5
Total 1+2 (million baht)	691,649	677,319	781,424	843,911	900,880	953,450
Change (%)	0.1	-2.1	15.4	8.0	6.8	5.8

Source: Office of the National Economic and Social Development Board (Gross Fixed Capital Formation Chain Volume measures 2002)

Note : e = Forecast by the Business Risk Research Division, Krungthai Bank Ltd. (Public)

In 2016 the investment budget was disbursed at 3.65 hundred billion baht, an increase of 35.1% from that in 2015 to support the construction in the public sector in 2016 which has grown at 14%. The overall investment in construction by the public sector was 56.7% of the total investment in construction of the entire system while the investment in construction by the private sector is fragile due to the recession impact on the real estate business and the household debt. Sales of high-rise residential units (condominiums) continue to contract while the permitted area for construction and the registration of newly constructed residential units have shrunk in the same direction. As a result

the construction in the private sector has expanded only 1.1% and the interest rate is maintained in the low level so the price of construction supplies has a tendency to decline. That has supported the overall construction investment in 2016 to grow at 8.0%.

2017-2018 In the fiscal year 2017, the investment budget of the government is 548.391 million baht with the disbursement target set the same level of the preceding fiscal year of 87% or about 477.519 million baht. Therefore the construction in the public sector continues to expand, particularly the large construction projects (civil engineering works like roads, bridges, railroads, ports, and other public utilities), most of which are the quality debtors of the banks. In the past the overall commercial banking system has enhanced the credit for this group of customers. Besides, the small and medium enterprises have been provided with a chance by the government to participate in the large projects in the public sector. According to the transport investment plan in 2016 through 2017, there are 56 projects with total investment budget of 2.29 trillion baht. It is expected that the economic conditions and the purchasing power in 2017 will improve so the real estate sector has a chance to recover. Moreover, the price of the construction supplies in the first half of 2017 is expected to make a slight increase while the Land and Construction Act in 2018 would support the construction business in the private sector to grow, particularly, building construction and specialized construction (like installation of the electrical system, piping system, removal work, construction site preparation work and building decoration work. Thus the contractors will need more working capital. In addition, the potential contractors have moved to enter the construction work in CLMV countries as there is an opportunity and a comparative advantage. It is anticipated that in 2017-18, the overall investment in the construction sector will grow at 6.8 and 5.8 percent, respectively.

Positive factors for the businesses

- The disbursement target for the capital investment budget of the government in the fiscal year of 2017 is 87 percent of the total capital investment budget (5.48 hundred billion baht) or about 4.77 hundred billion baht to support the construction business in the public sector most of which are the quality debtors of the banks.
- In 2016 the Ministry of Transport has made an investment of the action plan on transportation phase 1 for 20 projects, investment budget of 1.4 trillion baht and the action plan phase 2 for 36 projects, investment budget of 0.89 hundred billion baht so the overall investment plan in 2016 and 2017 is about 2.29 trillion baht. That is a big support to the civil engineering work or the large construction work.
- Most of the raw materials (cement, plywood sheet, processed wood, brick, pebble and sand) from the production sources in the country so everything is available for the construction work and the cost of the construction supplies has continued to decline in 2016 and the price in 2017 is not expected to highly increase. That is positive for the construction business.
- New Land and Construction Tax Act, B.E. 2561 will motivate the owners of potential empty land to build residence or undertake the development project.
- Improvement in the bidding regulations by the government has provided an opportunity to the small and medium contractors to participate in the large project of the government as previously only the large contractors are able to access the mega projects.
- AEC scheme has helped support the potential contractors to take the work in neighboring countries particularly in CLMV countries (Cambodia, Laos, Myanmar and Vietnam) as there is a growth potential due to the advantages in labor cost, construction supplies, design and construction controls.



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- Reputation and experience of the operators (average 9.5 years) including quality and services will make confidence among the customers. Particularly the construction operator registered as a first-class and/or special contractors with the government agencies and state enterprise will have more chance to obtain the construction work.

- Introduction of new technology in the construction work will save construction time and cost (supplies and labors) with more efficiency.

Risk factors for the business

- The real estate business tendency to recovery in 2017 is still fragile because the remaining inventory is high, both vertical and horizontal residential units. It is expected that the slow recovery of the purchasing power will affected the construction of residential buildings in the private sector and contractors for construction of small individual residence.

- Even though the labor shortage of unskilled workers I the construction sector is reeling through employment of foreign labors, the operators still have the high operating cost due to the adjustment of the minimum wage at 5-10 baht per day in 69 provinces in 2017 for both Thai and foreign labors.

- The interest rate has a tendency to be higher in the long run and will affect the business operating cost of the operators.

- The construction operators may compete through the cut of the construction cost for the construction job with negligence on rules, regulations and requirements, including laws. That will affect the adequacy of the working capital to complete the job or may cause the damage due to unexpected incidents.

- Most of the large constructions in the public utility project are the construction contracts made with the government. If there is no public hearing on the environmental impact assessment, it may be examined by the public and the politicians more than usual so the operators will have to allocate more human resources and working capital to such projects.

Source : Krungthai Bank Business Risk Research Division, Credit Risk Management Group, Risk Management Line.

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 42 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. In 2016 had trade account having outstanding debts more than 12 months do not make bad debt provision. The company expects to be able to make payment.

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 42 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.

The company has carefully arranged a procedure to protect and to prevent those whistle blower from any impact.

Risk from non-compliance with the production process indicated

Non-compliance with the process results in the risk and the company may have the performance problems such as

- Outputs are not in accordance with the schedule while costs like repair charge will increase.
- Trust from customers will decline because the output is not in accordance with the schedule.
- Damages incurred nearby the work site may lead to a law suit.
- Accident resulted from the work may damage the property of the company, including safety of the employees.

To prevent such risk, the company has prepared a checklist for the employees to comply and there is a process arranged to monitor that the process has been followed or not.



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Structure of Shareholders

List of the Largest Shareholders as at October 20, 2016

Shareholders' List	Number of Shares	Percentage of Paid Up Capital
1. Thasnanipan Group	92,638,279	30.31
1.1 Dr. Narong Thasnanipan	23,449,561	7.67
1.2 Miss Nutthakarn Thasnanipan	21,157,880	6.92
1.3 Miss Nutthawan Thasnanipan	16,612,11	5.43
1.4 Mrs. Paovana Thasnanipan	9,858,332	3.23
1.5 Mr. Thasapan Thasnanipan	9,668,749	3.16
1.6 Mr. Nutthapon Thasnanipan	7,268,197	2.38
1.7 Mr. Decha Thasnanipan	1,401,683	0.46
1.8 Mr. Nutthapan Thasnanipan	3,221,866	1.05
2. Pravesvararat Group	25,832,620	8.45
2.1 Mr. Tachapong Pravesvararat	13,563,500	4.43
2.2 Miss. Supaporn Pravesvararat	2,841,471	0.93
2.3 Miss. Suriporn Pravesvararat	1,970,638	0.64
2.4 Miss. Puangmali Pravesvararat	4,446,243	1.45
2.5 Mr. Sumeth Pravesvararat	1,741,666	0.57
2.6 Mr. Chaichalard Pravesvararat	1,265,468	0.41
2.7 Miss Panpaporn Pravesvararat	2,100	-
2.8 Mr. Aieng Saepueng	1,534	-
3. JPMORGAN THAILAND FUND	13,165,600	4.31
4. Thai NVDR Company Limited	8,626,809	2.82
5. HSBC (SINGAPORE) NOMINEES PTE LTD	6,355,900	2.08
6. Mr.Satit Wittayakorn by Denali Prestige Asset Management Limited	6,170,000	2.02
7. Mr.Chai Manopas	6,040,000	1.98
8. Muang Thai Life Assurance Public Company Limited	4,808,500	1.57
9. Mr. Pichai Wichakkapan	4,523,465	1.48
10. Mr. Parit Narathassajarn	2,701,575	0.88
11. HSBC (SINGAPORE) NOMINEES PTE LTD	2,405,500	0.79



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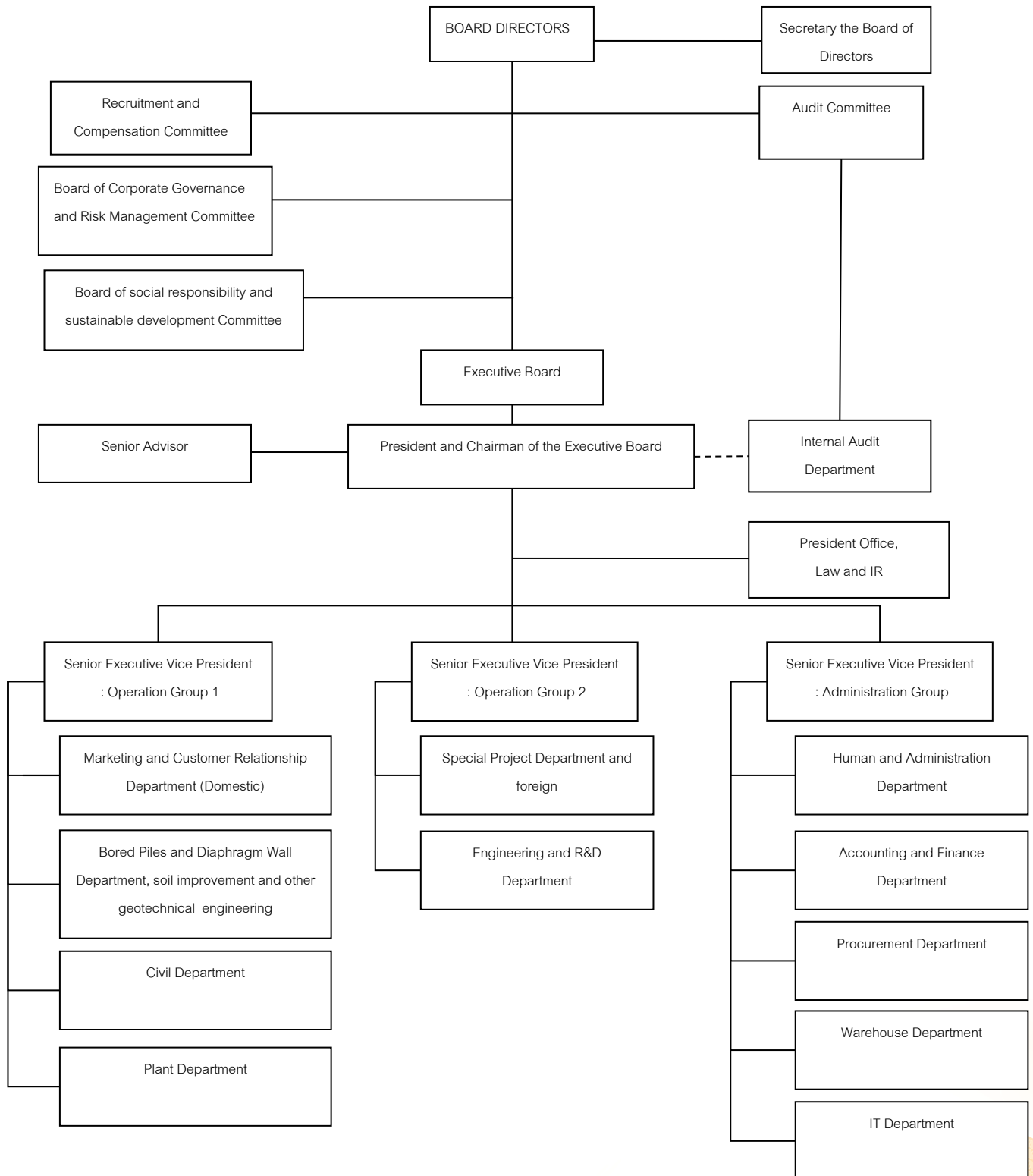
Shareholders' List	Number of Shares	Percentage of Paid Up Capital
12. Mr. Anurak Boonsawang	2,334,800	0.76
13. Mr. Kaoravit Suputipong	2,288,124	0.75
14. Mr. Nuttapol Ruangpanyaproj	2,070,000	0.68
15. Mr. Sarassanan Lekcheansakrul	2,000,000	0.65
16. Other	123,703,836	40.47
Total	305,665,008	100.00



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Organization Chart





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Management Board of Directors as of October 29, 2015



Social responsibility and sustainable development Committee

Social responsibility and sustainable development Committee		
List of names the Social responsibility and sustainable development Committee		
1. Mr. Nutthapan	Thasnanipan	Chairman of the Social responsibility and sustainable development Committee
2. Mr. Nutthapon	Thasnanipan	Social responsibility and sustainable development Committee

Structure Executive Officer

Board of Executive officer		
List of names the Board of Executive officer		
1. Dr. Narong	Thasnanipan	CEO
2. Mr. Zaw Zaw	Aye	Senior Executive Vice President: Operation Group 2
3. Miss Nutthawan	Thasnanipan	Senior Executive Vice President: Administration Group
4. Mr. Kamol	Singtogaw	Executive Vice President: Marketing and Customer Relationship Department (Domestic)
5. Mr. Padej	Rujikhajondej	Executive Vice President: Bored Piles and Diaphragm Wall, soil Improvement and other geotechnical engineering Department
6. Mr. Nutthapan	Thasnanipan	Executive Vice President : IT
7. Mr. Nutthapon	Thasnanipan	Executive Vice President : Engineering
8. Mr. Kamol	Youyuenpathana	Vice President: Civil Work Department
9. Mr. Anek	Srituptim	Vice President: Accounting and Finance Department
10. Mr. Somsak	Thawatchpongthon	Vice President: Procurement Department
11. Mr. Tawat	Phutphong	Vice President: Plant Department

Board of Directors

Authorized directors consist of two directors shall be empowered to jointly sign and affix Company seal or one director is authorized to sign and seal of the company only for the following matters.

- a) Submission of documents and undertaking any work with the Ministry of Commerce and the government agencies under the supervision of the Ministry of Commerce
- b) Submission of documents and undertaking any work with the Ministry of Labor and the government agencies under the supervision of the Ministry of Labor.
- c) Submission of documents and undertaking any work with the Revenue Department and the government agencies under the supervision of the Revenue Department
- d) Submission of documents and undertaking any work with the Ministry of Interior and the government agencies under the supervision of the Ministry of Interior.
- e) Submission of documents and undertaking any work with Bangkok Metropolitan Administration and the government agencies under the supervision of Bangkok Metropolitan Administration.
- f) Submission of documents and lodging a complaint to file the case of missing property of the company with the police officers.
- g) Undertaking and contact with any government agency or state enterprise or private organization related to the services for running water, electricity, telephone, mail and internet to apply for permission, transfer of ownership and accept the transfer of ownership, to pledge or accept the return of deposit, to transfer and accept the transfer of deposit related to running water, electricity, telephone, mail and internet.

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. Chairman of the Board must be independent directors.
3. The Board of Directors consists of not less than 4 independent directors with the following qualifications:
 - 3.1 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.
 - 3.2 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.
 - 3.3 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, or 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.
 - 3.4 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.

4. 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.
5. Backgrounds of all directors are publicly disclosed thoroughly and each time of director change.
6. Board Chairman is not a chairman or member of any sub-committees in order to leave their undertakings independent.
7. Board of Directors have to arrange a meeting on a regularly basis at least four a year.
8. Sub-committees have to arrange a meeting on a regularly basis at least two a year.
9. The number of directors attending the meeting and making any resolution is required to be at least half of the total number of the directors and the resolution is required to be approved by the majority vote.

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.
6. The director is not allowed to take the directorship more than 5 companies.

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.



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7. The good governance policy, including vision, mission and strategy of the company in the preceding years, is required to be reviewed and approved consistently.
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 formadapted by the company in line with the company's Board of Directors. The assessment results shall be re ported 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.				Total
		1	2	3	4	
1	Assoc.Prof.Dr. Somjai Phagaphasvivat (Chairman)	✓	✓	✓	✓	4
2	Mr. Tachapong Pravesvararat	✓	✓	✓	✓	4
3	Dr. Narong Thasnanipan	✓	✓	✓	✓	4
4	Mr. Zaw Zaw Aye	✓	✓	✓	✓	4
5	Miss Nutthawan Thasnanipan	✓	✓	✓	✓	4
6	Mr. Kamol Singtogaw	✓	✓	✓	✓	4
7	Mr. Padej Rujikhajorndej	✓	✓	✓	✓	4
8	Mr. Nutthapan Thasnanipan	✓	✓	✓	✓	4
9	Mr. Nutthapon Thasnanipan	✓	✓	✓	✓	4
10	Mr. Siwa Sangmanee	✓	✓	✓	✓	4
11	Mr. Somkuan Watakeekul	✓	✓	✓	✓	4
12	Mr. Somkual Musig – In	✓	✓	✓	✓	4
13	Mr. Loyleuan Bunnag	✓	✓	✓	✓	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.
9. The director is not allowed to take the directorship more than 3 companies.
10. To prepare and make disclosure of shareholding and change in shareholding in his securities and forward contracts, his spouse or those living like a spouse and underage children to the board of directors of the company.

Individual self-assessment of the director

In 2016 the individual self-assessment of the director has been launched as a tool to help the directors to review and develop their duties to ensure efficiency and effectiveness. The assessment topics are related to the key responsibility and duty of the board of directors in accordance with the laws, ethics of the directors, good governance practice of the Office of the Securities and Exchange Commission of Thailand.

1. Ethics and duties to be performed by the director
2. Determination of strategy, supervision and monitoring
3. Responsibility towards stakeholders

Procedures

The Internal Auditing Division of the company will submit the assessment form to every director for self-assessment at the end of every year and collect and make a report to the audit committee for further submission to the board of directors of the company for acknowledgement and discussion. In 2016 the overall assessment is about 90%, which is quite satisfactory.

Assessment of the entire board of directors is planned to be made in 2017 while the assessment forms are being prepared at present.

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 2016.

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 Senior 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 Senior 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 Senior Executive Vice President and submit a report to the Board of Directors twice a year.

Development Courses for Directors

The board of directors has a policy to promote continued development of the directors and to encourage participation of the directors in the training courses prepared for the directors as much as possible. Every director of the company is required to pass the training course related to duties to be performed by the directors and the executives of the company. In 2016 the directors, the general managing director and the chairman of the chief executive officer have been through the training courses for more knowledge and understanding in the following matters.

1. Risk Management program for Corporate Leader (RCL3/2016), IOD
2. Leadership Development Program (LDP), TLCA
3. How Risk Plan (HRP9/2016), IOD
4. Executive Program for Young Professional (EYP 2), Fiscal Policy Research institute Foundation
5. Strategic CFO in Capital Market Program, SET
6. Certificate in Investor Relation 2016, TLCA
7. High Executive Program, Thammasat for Society NorMorThor #8
8. Thai-Chinese Yong executive program No.2

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.

Quorum of the meeting of the board of directors to pass a resolution

The policy of the company is that the resolution of the board of directors is required to be passed by the meeting of the board of directors attended by at least two-thirds of the total directors.

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 profile on page 54 of the annual report.

Sub-committees

The company has established a Sub-Committee, Audit Committee, The Recruitment and Compensation Committee, Corporate Governance, Risk Management Committee and Social responsibility and sustainable development Committee as follows:-

Audit Committee

The audit committee has been appointed since March 2, 2004 with the term in the office of 3 years and the audit committee is required to arrange a meeting and make a report to the board of directors of the company.

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.



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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. In the year 2016 the Board non-Executive Directors of the Audit Committee in particular there has been a Conference by attendees, only the external auditors and internal auditors have all 5 times by meeting before Board meetings.

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

No.	Board of Audit Committee	No.					Total
		1	2	3	4	5	
1.	Mr. Siwa Sangmanee (Chairman)	✓	✓	✗	✓	✓	4
2.	Mr. Somkuan Watakeekul	✓	✓	✓	✓	✓	5
3.	Mr. Somkual Musig – In	✓	✓	✓	✓	✓	5
4.	Mr. Layleuan Bunnag	✓	✓	✓	✓	✓	5

✓ Means attend the meeting

✗ Means not attend the meeting

The Recruitment and Compensation Committee

Roles, Duties and Responsibilities of the Recruitment and Compensation Committee

- 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
- Establish criteria for compensation to directors, managing director, and submit to the Board for approval consideration at the General Shareholders' Meeting
- Conduct other matters as assigned by the Board of Directors.
- 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.
- To provide recommendation on method to evaluate the performance of the directors and the board of directors to the board of directors.
- To review and suggest any correction to scope, duty and responsibility of the recruitment committee in compliance with the conditions.
- 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.		Total
		1	2	
1	Mr. Somkuan Watakeekul (Chairman)	✓	✓	2
2	Dr. Narong Thasnanipan	✓	✓	2
3	Mr. Zaw Zaw Aye	✓	✓	2

✓ Means attend the meeting

✗ Means not attend the meeting

Directors with diversity of background

The Selection Committee is required to arrange the requirements on selection of the directors and to determine the procedure related to diversity of the other qualifications of the entire board such as directors from various group of stakeholders and educational background, age, gender, etc.

In addition, the Selection Committee will look into the schedule of the directors whose term is about to expire to determine the skill and competency that the new directors recruited should have to replace the missing skill and competency. There are three categories of competency.

1. Knowledge directly involving with construction business, construction business background and engineering education
2. Knowledge and experience related with construction business, organization management, human resource management and administration in government agencies.
3. Specific knowledge and experience such as related laws, rules and regulations related to the business undertaken, accounting and finance, understanding in financial statements, accounting standards or being an audit committee of the listed company and knowledge in communication and information technology.

Orientation for new directors

The director who is newly appointed a director of the company will be provided with an orientation for new directors to provide information on duties and businesses of the company, introduction to duties of each executive and rules and regulations, requirements of SEC and other related laws.

Corporate Governance and 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. Nutthawan 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

Social responsibility and sustainable development Committee

Roles, duties of the committee on social responsibility and sustainable development

1. To arrange and submit the policy and tendency of social responsibility and sustainable development to the board of directors of the company for approval.
2. To provide assistance to the work on social responsibility and sustainable development with attendance to the meeting and guidelines on the operations and periodic monitoring with the time frame provided.
3. To screen the operating plan, annual budget and inquire about the performance on social responsibility and to make a report to the board of directors.
4. To examine and assess the performance on social responsibility and sustainable development and provide recommendations for development and report to the board of directors at least once a year on sustainable development with disclosure to the public.
5. To appoint a subcommittee on social responsibility and sustainable development as deemed suitable.



SEAFSCO

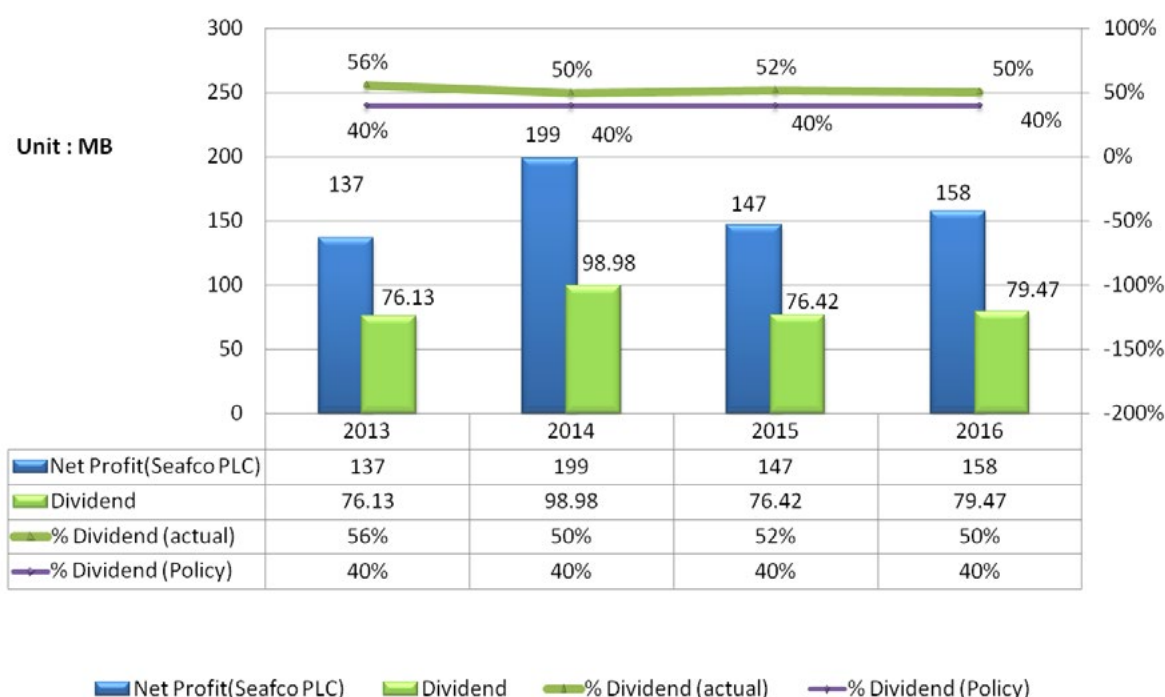
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Policy on Dividend Payment

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.	Dr. Narong Thasnanipan	/, //, 0	/	/	/	/	/
3.	Miss Nutthawan Thasnanipan	/, //, ///					
4.	Mr. Zaw Zaw Aye	/, //, ///	/	/	/		
5.	Mr. Kamol Singtogaw	/, //, ///	/				
6.	Mr. Padej Rujikhajorndej	/, //, ///					
7.	Mr. Nutthapan Thasnanipan	/, //, ///					
8.	Mr. Nutthapon Thasnanipan	/, //, ///					
9.	Asst. Prof. Dr. Somjai Phagaphasvivat	X, /					
10.	Mr. Siwa Sangmanee	/					
11.	Mr. Somkuan Watakeekul	/					
12.	Mr. Somkual Musig-In	/					
13.	Mr. Loyleuan Bunnag	/					
14.	Mr. Anek Srituptim	///					
15.	Mr. Kamol Youyuenpathana	///					
16.	Mr. Somsak Thawatchpongthon	///					
17.	Mr. Tawat Putphong	///					

X = Chairman

/ = Director

// = Executive Director

/// = Executive Officer

0 = CEO

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



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2. Report on shareholding of directors and high level executives

	<u>Executives Name and persons with power of control</u>	<u>2 September 2015</u>	<u>During the year 2016 Increase (decrease)</u>	<u>20 October 2016</u>
1.	Mr. Tachapong Pravesvararat	17,787,800	(4,224,300)	13,563,500
2.	Dr. Narong Thasnanipan	23,449,561	-	23,449,561
3.	Miss Nutthawan Thasnanipan	16,812,011	(200,000)	16,612,011
4.	Mr. Zaw Zaw Aye	4,324	15,676	20,000
5.	Mr. Kamol Singtogaw	33,243	(10,000)	23,243
6.	Mr. Padej Rujikhajorndej	39,811	-	39,811
7.	Mr. Nutthapan Thasnanipan	3,221,866	-	3,221,866
8.	Mr. Nutthapon Thasnanipan	7,268,197	-	7,268,197
9.	Asst. Prof. Dr. Somjai Phagaphasvivat	-	-	-
10.	Mr. Siwa Sangmanee	-	-	-
11.	Mr. Somkuan Watakeekul	-	-	-
12.	Mr. Somkual Musig-In	-	-	-
13.	Mr. Loyleuan Bunnag	-	-	-
14.	Mr. Anek Srituptim	30,569	-	30,569
15.	Mr. Kamol Youyuenpathana	-	-	-
16.	Mr. Somsak Thawatchpongthon	-	-	-
17.	Mr. Tawat Putphong	11,374	-	11,374



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

Name-Surname / Age / Position / Date of appointment

Dr. Narong Thasnanipan / 69 year / Director is authorized to bind the company, according to the Certificate of company registration / Director and CEO

Date of initial appointment is 18 March 2004 and Date of recent appointment is 21 April 2015

Education

- 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
- Honorary Doctorate Degree in Civil Engineering King Mongkut's Institute of Technology Ladkrabang

IOD Program

- Director Accreditation Program Class 15/2004
- Finance for Non -Finance Directors
- Director Certification Program Class 92/2007
- Advanced Audit Committee Class 1/2009

Other Program

- 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)

Percentage of Paid up capital

As of October 20, 2016 10.90% (Director 7.67%, spouse ...3.23.% and underage children ...-....%)

Relationship between management

Father Miss.Nutthawan Thasnanipan, Mr. Nutthapan Thasnanipan and Mr. Nutthapon Thasnanipan

Experiences (As of 31/12/2016)

1999 - Now President and CEO, Seafco Plc

Position in other

- Director, Seafco Construction Co.,Ltd. (Companies in the group)
- Director, Seafco Intertrade Co.,Ltd. (Companies in the group)
- Director, Seafco Myanmar Co.,Ltd. (Companies in the group)
- Director, Srinakarindhra JV
- Director, Seafco & Prayunchai (1984) JV



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Name-Surname / Age/ Position /Date of appointment

Mr. Tachapong Pravesvararat / 72 year / Director is authorized to bind the company, according to the Certificate of company registration / Director

Date of initial appointment is 18 March 2004 and Date of recent appointment is 21 April 2016

Education

- Bachelor's Degree of Science in Civil Engineering Chulalongkorn University

IOD Program

- Director Accreditation Program Class 15/2004
- Chairman 2000
- Finance for Non – Finance Directors
- Director Certification Program Class 91/2007

Other Program

- None

Percentage of Paid up capital

As of October 20, 2016 4.43% (Director 4.43%, spouse ...-....% and underage children ...-....%)

Relationship between management

- None -

Experiences (As of 31/12/2016)

1999 - 2013 Chairman of the Board, Seafco PLC
2013 - Now Director, Seafco PLC

Position in other

- Director, Seafco Construction Co.,Ltd. (Companies in the group)
- Director, Seafco Intertrade Co.,Ltd. (Companies in the group)
- Director, Srinakarindhra JV
- Director, Seafco & Prayunchai (1984) JV



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Name-Surname / Age / Position /Date of appointment

Mr. Zaw Zaw Aye / 53 year / Director is authorized to bind the company, according to the Certificate of company registration / Director and Senior Executive Vice President : Operation Group 2

Date of initial appointment is 18 April 2011 and Date of recent appointment is 21 April 2015

Education

- M.Sc in Geotechnical Engineering, Asian Institute of Technology, Thailand

IOD Program

- Director Certification Program Class 196/2014

Other Program

- Leadership Development Program (LDP) Class 3 (TLCA)

Percentage of Paid up capital

As of October 20, 2016 0.013% (Director 0.013%, spouse ...-....% and underage children ...-....%)

Relationship between management

- None -

Experiences (As of 31/12/2016)

- | | |
|-------------|---|
| 1999 - 2011 | Vice President R&D, Seafco Plc |
| 2011 - 2013 | Executive Vice President, Seafco Plc |
| 2013 - Now | Senior Executive Vice President : Operation Group 2, Seafco Plc |

Position in other

- Director, Seafco Construction Co.,Ltd. (Companies in the group)
- Director, Seafco Intertrade Co.,Ltd. (Companies in the group)
- Director, Seafco Myanmar Co.,Ltd. (Companies in the group)



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Name-Surname / Age / Position /Date of appointment

Miss Nutthawan Thasnanipan / 38 year / Director is authorized to bind the company, according to the Certificate of company registration / Director and Senior Executive Vice President : Administrative Group

Date of initial appointment is 10 April 2009 and Date of recent appointment is 21 April 2016

Education

- Master of Science in Financial Management, University of Exeter/ Exeter, United Kingdom
- Bachelor Degree in Business Administration in majoring of Accounting Assumption University/ Bangkok,

IOD Program

- Director Certification Program Class 116/2009
- Role of the Nomination and Governance Committee 1/2011
- Risk Management Committee Program (RMP) 6/2015

Other Program

- Professional CFO Class 4 (NIDA)
- Executive Director Program Class 5
- High Executive Program, Thammasat for Society NorMorThor. Group 3
- Leadership Development Program (LDP) Class 2 Thai Listed Companies Association (TLCA)
- TISCO Wealth Enhancement Program (Tisco WEP2)
- Thai-Chinese Young Executive Program (TCYEP) Class 1
- Bhumipalung Phandin Program, Chulalongkorn University Class 4
- Academy of Business Creativity (ABC) Class 4 Sripatum University
- Executive Program for Young Professional (EYP 2), 2016
- Strategic CFO, 2016
- Media Appreciation & Products-Service Strategies (MAPS 1), 2016
- Certificate in Investor Relations 2016

Percentage of Paid up capital

As of October 20, 2016 5.43% (Director 5.43%, spouse ...-....% and underage children ...-....%)

Relationship between managemen

Offspring Mr. Narong Thasnanipan

Experiences (As of 31/12/2016)

2009 - 2014	Director , Seafco PLC
2014- Now	Senior Executive Vice President, Seafco PLC

Position in other

- None -



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OF **SUCCESS**

Name-Surname / Age / Position /Date of appointment

Mr. Kamol Singtogaw /54 year / Director is authorized to bind the company, according to the Certificate of company registration / Director and Executive Vice President: Marketing and Domestic Customer Relationship Department

Date of initial appointment is 18 March 2004 and Date of recent appointment is 17 April 2014

Education

- Bachelor's Degree of Science in Civil Engineering Khon Kaen University

IOD Program

- Director Accreditation Program Class 14/2004
- Director Certification Program Class 91/2007
- Executive Director Program Class 6/2010

Other Program

- Samanthi Course, Willpower Institute Class 29
- Autamasasamathi Course, Willpower Institute Class 1 (Praprom)
- High Executive Program, Thammasat for Society NorMorThor. Group 6

Percentage of Paid up capital

As of October 20, 2016 0.01% (Director 0.01%, spouse ...-....% and underage children ...-....%)

Relationship between management

- None -

Experiences (As of 31/12/2016)

1999 - Now Director / Executive Vice President: Marketing and Domestic Customer Relationship Department , Seafco PLC

Position in other

- None -



SEAFCO

THE FOUNDATION
OF SUCCESS

Name-Surname / Age / Position /Date of appointment

Mr. Padej Rujikhajorndej / 60 year / Director is authorized to bind the company, according to the Certificate of company registration / Director and Executive Vice President: Bored Piles and Diaphragm Wall Soil Improvement and Other Geotechnical Engineering Department

Date of initial appointment is 18 March 2004 and Date of recent appointment is 17 April 2014

Education

- Bachelor's Degree of Science in Civil Engineering Khon Kaen University

IOD Program

- Director Accreditation Program Class 14/2004
- Director Certification Program Class 91/2007
- Director Certification Program Update (DCPU) Class 4/2015

Other Program

- Executive Mini MBA (NIDA)
- High Executive Program, Thammasat for Society NorMorThor. Group 7

Percentage of Paid up capital

As of October 20, 2016 0.01% (Director 0.01%, spouse ...-....% and underage children ...-....%)

Relationship between management

- None -

Experiences (As of 31/12/2016)

1999 - Now Director / Executive Vice President: Bored Piles and Diaphragm Wall Soil Improvement and Other Geotechnical Engineering Department , Seafco PLC

Position in other

- None -



SEAFCO

THE FOUNDATION
OF SUCCESS

Name-Surname / Age / Position /Date of appointment

Mr. Nutthapan Thasnanipan / 40 year / Director is authorized to bind the company, according to the Certificate of company registration / Director and Executive Vice President IT

Date of initial appointment is 21 April 2015

Education

- Master's Degree of computer, The London School of Economics and Political Science(LSE), UK
- Bachelor's Degree of Computing Business University of Sunderland, UK

IOD Program

- Director Certification Program (DCP) 206/2015
- Family Business for sustainability (FBS) Class 3/2015

Other Program

- ABC Real Estate Real Deal at SUP (Sep 2014-Dec 2014)
- PNP 3 at King Prajadhipok's Institute 2013-2014
- Executive Development Program (EDP) Class 11/2013
- Mini MBA Class 11 at Thammasart University
- NIT Class 1 at NecTec 2010
- BootCamp Case Study solving champion 2008
- Certificate in Investor Relations 2016 (TIRC)
- High Executive Program, Thammasat for Society NorMorThor. Group 8
- THE NEXT REAL 1/2016

Percentage of Paid up capital

As of October 20, 2016 1.05% (Director 1.05%, spouse ...-....% and underage children ...-....%)

Relationship between management

Offspring Mr. Narong Thasnanipan

Experiences (As of 31/12/2016)

2011 - 2015	Asst. to the Chief of President Office Seafco Plc
2015 - Now	Executive Vice President , Seafco PLC

Position in other

- None -



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THE FOUNDATION
OF SUCCESS

Name-Surname / Age / Position /Date of appointment

Mr. Nutthapon Thasnanipan / 34 year / Director is authorized to bind the company, according to the Certificate of company registration / Director and Executive Vice President Engineering

Date of initial appointment is 21 April 2015

Education

- Master's Degree MSC. Operating Management in Engineering(OME) University of Strathclyde, Scotland
- MBA In Finance, Coventry University, UK
- Bachelor's Degree of Civil Engineering Sirindhorn International Institute of Technology (SIIT), Thammasat University

IOD Program

- Director Certification Program (DCP) 211/2015

Other Program

- Super Entrepreneur for Society SEP-S2 Institute of Intelligent Investors
- TISCO Wealth Enhancement Program (Tisco WEP3)
- Young Professional Forum #2 (YPF#2) Council of Engineers
- ABC TALENT #2

Percentage of Paid up capital

As of October 20, 2016 2.38% (Director 2.38%, spouse ...-...% and underage children ...-...%)

Relationship between management

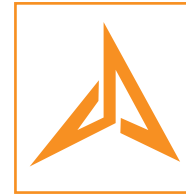
Offspring Mr. Narong Thasnanipan

Experiences (As of 31/12/2016)

2012 - 2015 Project Engineer , Seafco PLC
2015 - Now Executive Vice President , Seafco PLC

Position in other

- Director, Nowhere else Co.,Ltd.



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OF **SUCCESS**

Name-Surname / Age / Position /Date of appointment

Asst.Prof.Dr.Somjai Phagaphavivat / 70 year / Chairman and Independent Director

Date of initial appointment is 18 March 2004 and Date of recent appointment is 21 April 2016

Education

- Doctorado de Estado, Facultad de Ciencia Politica, Universidad Complutense de Madrid, Spain
- Diplome d'Etudes Superieures, (Economic Integration), Universite de Nancy, France
- Licenciatura, Facultad de Ciencia Politica y Economica, Universidad Complutense de Madrid, Spain
- Bachelor of Arts, Chulalongkorn University

IOD Program

- Chairman Role in Building Independence across the Board

Other Program

- None -

Percentage of Paid up capital

As of October 20, 2016 - None -

Relationship between management

- None -

Experiences (As of 31/12/2016)

- | | |
|-------------|--|
| 1999 - Now | Associate professor at the Faculty of Political Science , Thammasat University |
| 2004 - 2012 | Chairman of the Audit Committee, Seafco PLC |
| 2013 - Now | Chairman, Seafco PLC |

Position in other

- | | |
|------------|---|
| 2015 - Now | Director, Suparai PLC |
| 2013 - Now | Chairman of the Audit Committee, Amarin Printing and Publishing PLC |
| 2007 - Now | Independent Director and Chairman of the Audit committee, Lee Feed Mill PLC |
| 2010 - Now | Director and Audit committee, Thanachart Bank Public Company Limited |



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THE FOUNDATION
OF SUCCESS

Name-Surname / Age / Position / Date of appointment

Mr. Siwa Sangmanee/ 71 year / Independent Director and Chairman of the Audit Committee

Date of initial appointment is 12 April 2013 and Date of recent appointment is 21 April 2016

Education

- Master of Business Administration degree (Public Administration science) from National Institute of Development Administration (NIDA)

IOD Program

- Director Certification Program Class 97/2007
- Advance Audit Committee Program (AACP) 18/2015

Other Program

- Bhumipalung Phandin Program, Chulalongkorn University Group 2
- High Executive Program, Thammasat for Society NorMorThor. Group 2

Percentage of Paid up capital

As of October 20, 2016 - None -

Relationship between management

- None -

Experiences (As of 31/12/2016)

2013 - Now Chairman of the Audit Committee, Seafco PLC

Position in other

Advisor to the Deputy Minister at the Ministry of Interior.



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THE FOUNDATION
OF **SUCCESS**

Name-Surname / Age / Position /Date of appointment

Mr. Somkuan Watakeekul / 77 year / Independent Director and Audit Committee Director

Date of initial appointment is 18 March 2004 and Date of recent appointment is 17 April 2014

Education

- Bachelor's Degree of Science in Engineering Chulalongkorn University 1961
- Master Degree of Science in Engineering Asian Institute of Technology 1963

IOD Program

- Director Accreditation Program Class 21/2004
- Director Certification Program Class 96/2007

Other Program

- Advance Management Program Class 111/1992
- National Defence College of Thailand Class 366/1993

Percentage of Paid up capital

As of October 20, 2016 - None -

Relationship between management

- None -

Experiences (As of 31/12/2016)

- 2011 - Now Advisor to Board of Directors, CK Power PLC
- 2004 - Now Audit Committee, Seafo PLC

Position in other

- None -



SEAFCO

THE FOUNDATION
OF SUCCESS

Name-Surname / Age / Position /Date of appointment

Mr. Somkual Musig-In / 68 year / Independent Director and Audit Committee Director

Date of initial appointment is 18 March 2004 and Date of recent appointment is 21 April 2015

Education

- Bachelor's Degree of Administration (Accounting) Thammasat University

IOD Program

- Director Accreditation Program 21/2004
- Director Certification Program 97/2007

Other Program

- The UK Experience on Implementing the Enhanced Auditor Reporting (SET, SEC and FAP)

Percentage of Paid up capital

As of October 20, 2016 - None -

Relationship between management

- None -

Experiences (As of 31/12/2016)

1971 - Now C.P.A. (Thailand)
2004 - Now Audit Committee, Seafco PCL

Position in other

- None -



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THE FOUNDATION
OF **SUCCESS**

Name-Surname / Age / Position /Date of appointment

Mr. Loyleuan Bunnag / 67 year / Independent Director and Audit Committee

Date of initial appointment is 29 October 2015

Education

- Bachelor of Laws(LLB) Thammasat University (1971)

IOD Program

- Director Certification Program 92/2007

Other Program

- None -

Percentage of Paid up capital

As of October 20, 2016 - None -

Relationship between management

- None -

Experiences (As of 31/12/2016)

2015 - Now Independent Director and Audit Committee, Seafco PLC

Position in other

- Director, Fuel Pipeline Transportation Limited

- Director, Phaibulsombat Co.,Ltd



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Name-Surname / Age / Position /Date of appointment

Mr.Anek Srituptim / 60 year / Vice President : Accounting and Finance Department and Company Secretary

Date of initial appointment is 18 March 2004

Education

- Master Degree of Law in Ramkhamhaeng University
- Bachelor's Degree of Accounting in Ramkhamhaeng University

IOD Program

- Company Secretary Program
- Executive Director Program Class 10

Other Program

- Strategic CFO in Capital Market Program Class 3 (TSI)
- Professional CFO Class 10 (FAP)
- Samanthi Course, Willpower Institute Class 30
- Autamasasamathi Course, Willpower Institute Class 1 (Praprom)
- The UK Experience on Implementing the Enhanced Auditor Reporting (Set, Sec and Fap)
- New developments of course the Provident Fund law and taxation #4 Association of Provident Fond (AOP)

Percentage of Paid up capital

As of October 20, 2016 0.01% (His 0.01%, spouse ...-....% and underage children ...-....%)

Relationship between management

- None -

Experiences (As of 31/12/2016)

2003 - 2011 Vice President : Administrative Departmentt , Seafco PLC

2011 - Now Vice President : Accounting and Finance Department , Seafco PLC

Position in other

- None -



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Name-Surname / Age / Position /Date of appointment

Mr. Kamol Youyuenpattana / 57 year / Vice President : Civil Department

Date of initial appointment is 18 March 2004

Education

- Bachelor's Degree of Science in Civil Engineering Khon Kaen University

IOD Program

- None -

Other Program

- Samanthi Course, Willpower Institute Class 30
- Autamasasamathi Course, Willpower Institute Class 1 (Praprom)
- Advanced Meditation Course #1, Willpower Institute (Phayarachasee)

Percentage of Paid up capital

As of October 20, 2016 - None -

Relationship between management

- None -

Experiences (As of 31/12/2016)

1999 - Now Vice President : Civil Department, Seafco PLC

Position in other

- None -



SEAFCO

THE FOUNDATION
OF SUCCESS

Name-Surname / Age / Position /Date of appointment

Mr.Somsak Thawatchpongthon / 61 year / Vice President: Procurement Department

Date of initial appointment is 3 October 2011

Education

- Bachelor's Degree of Accounting in Ramkhamhaeng University

IOD Program

- None -

Other Program

- Samanthi Course, Willpower Institute Class29 (Santisuk)
- Autamasasamathi Course, Willpower Institute Class 1 (Praprom)
- Advanced Meditation Course #1, Willpower Institute (Phayarachasee)
- Advanced Meditation Course #2, Willpower Institute (Phayachattun)
- Rajaree Smathi #8
- Setting a KPI and metrics in procurement (TMA)

Percentage of Paid up capital

As of October 20, 2016 - None -

Relationship between management

- None -

Experiences (As of 31/12/2016)

2004 - 2011 Director of Internal Audit and Audit Committee Secretary, Seafco PLC

2011 - Now Vice President: Procurement Department , Seafco PLC

Position in other

- None -



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OF **SUCCESS**

Name-Surname / Age /Position / Date of appointment

Mr. Tawat Phutpong / 54 year / Vice President: Plant Department

Date of initial appointment is 18 March 2013

Education

- Bachelor's Degree of Faculty of Engineering in Rajamangala University of Technology Phra Nakhon

IOD Program

- None -

Other Program

- None -

Percentage of Paid up capital

As of October 20, 2016 0.0037% (His 0.0037%, spouse ...-....% and underage children ...-....%)

Relationship between management

- None -

Experiences (As of 31/12/2016)

2004 - 2013 Director of Maintenance department, Seafco PLC

2013 - Now Vice President: Plant Department, Seafco PLC

Position in other

- None -



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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 an annual basis dependent of the performance of the company. It would be paid to the independent directors except the executive directors.

4. Remunerations of the general managing director and the chief executive officer will be determined by the selection and remuneration determination committee with comparison to that of the other companies in the similar businesses. And performance.



Compensation to Directors and Management

	2014			2015			2016		
	Per meeting	Per month	Compensation in Baht	Per meeting	Per month	Compensation in Baht	Per meeting	Per month	Compensation in Baht
<u>Management Compensation</u>									
Salary			36,857,410			36,715,880			33,327,249.97
<u>Director Compensation and</u>									
<u>Director Fee(each)</u>									
- Assoc. Prof.Dr.Somjai Phagaphasvivat	5,000	65,000	800,000	5,000	65,000	800,000	5,000	65,000	800,000
- Mr. Somkuan Watakeekul	5,000	50,000	620,000	5,000	50,000	620,000	5,000	50,000	620,000
- Mr. Somkual Musig-in	5,000	50,000	620,000	5,000	50,000	620,000	5,000	50,000	620,000
- Mr. Siwa Sangmanee	5,000	50,000	620,000	5,000	50,000	610,000	5,000	50,000	620,000
- Mr. Loyluean Bunnag	-	-	-	5,000	50,000	155,000	5,000	50,000	620,000
- Dr. Narong Thasnanipan	5,000	-	20,000	5,000	-	20,000	5,000	-	20,000
- Mr. Tachapong Pravesvararat	5,000	-	20,000	5,000	-	20,000	5,000	-	20,000
- Mr. Zaw Zaw Aye	5,000	-	20,000	5,000	-	20,000	5,000	-	20,000
- Miss Nutthawan Thasnanipan	5,000	-	20,000	5,000	-	20,000	5,000	-	20,000
- Mr. Padet Rujikhajorndej	5,000	-	20,000	5,000	-	15,000	5,000	-	20,000
- Mr. Kamol Singtogaw	5,000	-	20,000	5,000	-	20,000	5,000	-	20,000
- Mr. Nutthapan Thasnanipan	-	-	-	5,000	-	15,000	5,000	-	20,000
- Mr. Nutthapon Thasnanipan	-	-	-	5,000	-	15,000	5,000	-	20,000
Total			<u>2,780,000</u>			<u>2,950,000</u>			<u>3,440,000</u>

(From 2014 to 2016, Mr. Anek Sritubtim was paid for working as secretary at the rate of 20,000 Baht)

Note

1. Per meeting. The remuneration will be paid 5,000 baht paid to directors for attending only.
2. Per month. It is paid monthly Which pays for independent directors only.



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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 share 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 or 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 14 days prior to the meeting. The information also shall be posted in the Company's website both in Thai (Least 30 days) and English (Least 7 days).
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 December 31, 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 December 31, 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 The 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.



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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. **Responsibility of the board of directors.** Details provided in Clause 8 under the topic of Structure of the board of directors of the company

6. **General Shareholders' Meeting**

In 2016, the company has arranged the general meeting of shareholders on 21 April 2016 at 9.30 A.M. at the Meeting 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 thirteen directors for AGM for the year 2016, 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.

7. **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.

8. **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. The executives have not purchased or sold the securities of the company 30 days before and 3 days after the notification date of the financial statements

9. 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:

9.1 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.

9.2 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.



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- 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 for at least a period of two years
 - (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.
- (7) Notice that the same Director. The management and staff are aware of inside information that could significantly affect the change in the price of traded securities. Will be required to suspend trading of the company in the range of 1 month before the company will announce operating results or inside information within it will be publicly available and published after 3 days
- (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:

The director, executive and related persons shall inform to the Board of Directors in writing.

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. The internal charge system is arranged to check and prevent loss of property and the properties are assigned to be under the responsibility of the agency set up.

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.



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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.

9.3 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 89/2) 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.



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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.

2.2.14 Employee remuneration policy determined in accordance with the performance of the company both short-term and long-term

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:

1. Deliver quality work as agreed with the customers in fair price.
2. Provide consultation on geotechnical engineering and information adequately, correctly and up-to-date
The terms
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.
4. The acts to clients shall be polite and reliable.
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.
6. Guarantee its products under proper conditions and duration and comply with Customer Protection Act .
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.
8. The Company shall support the clients' acts for the social responsibility.
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:

1. The Company shall act to clients equitably and fairly.
2. The Company shall use the licensed products and services and shall not support the products/ services which violate intellectual property right.
3. Acceptance of things or other benefits
 - 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.

In 2016 every director, executive and employee is notified and not allowed to accept New Year gifts from the trading partners and those involving with the business.

- 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. Executives and staff shall not offer things or benefits in any forms to outsiders to convince for inappropriate acts/ causing conflicts.
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.
6. The conditions agreed with the suppliers and/ or creditors shall be complied with strictly.
7. In case a condition cannot be complied with, a prior notice shall be made to collaborate for problem solving.
8. Opportunities shall be provided to the suppliers who operating business legally, complying with environmental/ safety/ health standards and having social responsibility.
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:

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.



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2. Do not violate or acquire trade secret by wrongful means
3. Adhere to ethical business operation. Do not steal the customers from the competitors by dumping/ price war method.
4. The Company shall not discredit the business competitors with allegations.
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:

1. The Company shall comply with the safety, health and environmental laws and rules.
2. The Company shall utilize resources efficiently and worthily with energy saving and resources recycling promotion measures.
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.
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.
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:

1. Initiate preventive/corrective measure to be followed when the Company's operation has adverse effects to the environment and community.
2. Support the education by providing scholarship to students in needs.
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.
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.
5. Always communicate with the community. Disseminate and report social responsibilities practice to every stakeholder.
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 Seafco 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 Seafco 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.

Anti-Corruption Practice

Anti-corruption policy of the company is as follows. The board of directors, executives, superiors, employees in every level or persons related to the business of the company are not allowed to involve with all kind of fraud and corruption in any business transaction and are required to comply with rules and regulations and laws.

Training and Communication

In 2016 the employees in every level from the executive director have been communicated through the weekly meeting arranged by the managing director to provide information and clarification of frauds and corruption regularly, including orientation for new employees which has included the training related to anti-corruption.

Guideline practice on supervision and control to prevent and monitor risk on frauds is as follows.

1. The examination and assessment processes arranged for the internal control system and risk management to cover all key working systems in the business of the company such as bidding process, procurement process, preparation of contracts, budgeting process, as well as accounting system related to receipts and disbursement. In 2016 the company has employed the new ERP computer system operated by Mango system which is used for budget control for construction work to ensure that the working system could reduce the risk on fraud and corruption through better accounting system.

2. There are channels provided for notification of information, clues or complaint on offence, illegal or unethical act of the company or practice on prevent practice related to corruption or doubt in financial report or internal control system with policy on protection of those providing information or clues and custody of information of those providing confidential information. There are measures on examinations and decision on disciplinary action of the company and other related laws if there is a case for contact of those providing clues or complainants and the company will notify the action undertaken in writing.

3. Chiefs of various operating units are required to monitor, improve and correct errors and mistakes (if any) and report to the authorized persons in respective order.

Practice on monitoring and assessment on the performance in accordance with the preventive measures related to corruption as follows

1. The internal audit division is assigned to examine the internal control system, risk management, business supervision and provide recommendations continuously and to conduct the examination in accordance with the annual audit plan approved by the audit committee and to make the presentation to the board of directors.

2. The management is assigned to take responsibility of the test and assessment on risk of frauds and corruption continuously to implement the anti-fraud and –corruption measures effectively and to monitor, review and improve the anti-fraud and –corruption measures consistently and the outcomes will be timely and consistently presented to the risk management committee and reported to the board of directors in a respective order.

3. If the investigation has revealed that the information examined or the complaint has sufficient evidence to believe that the transaction or the act has significantly affected the financial position and the operating results of the company, as well as the offence against the law or business ethics of the company or doubt in the financial reports or the internal control system, the audit committee will report to the board of directors of the company for improvement or correction within the period deemed suitable to the audit committee.

9.4 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 polices 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 official s 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 compliant on business ethics. Employees can send their complaints on business ethics directly to





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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

10. Balance of Voting Power of Non-Executive Directors

The Board of Directors consists of 13 directors broken down into

Executive Directors	8 individuals
Non-Executive Directors	- individual
Independent Directors	5 individuals

Non-Executive directors and independent directors combined accounted for 38% of all directors, and provided appropriate check and balance in the management of the company.

11. 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.

12. 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.

13. 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 2016, there were 4 Board Meeting with all directors attended in all the meetings.

14. 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. At present, the internal control division has been set up in the company.

15. 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.

16. 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 2016 for 22 times and to participate in the activity "Listed company meeting with investors or Opportunity day" for 3 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, Miss Nutthawan Thasnanipan, and Mr. Anek Srituptim Tel. 0-29190090 Fax. 0-29190098 or e-mail : nthasaipan@hotmail.com, anek@seafco.co.th

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 2016, there was related party transaction which might create situation of conflict of interest reported by the Auditor within Note 27, page 34-38 to Financial Statement.

Operating results and financial position

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. The jobs accepted in 2014 included the elevated train, green line and blue line, so the performance was better than that of 2013.

In 2015, the construction industry has slowed down because the private sector was not confident in the economic conditions while the real estate industry has slowed down as well (particularly oversupply of high vertical residential buildings), including the construction projects in the public sector has postponed the bidding process. Thus the corporate group has lower operating profit of 151.89 million baht in 2015, a decline of 28 percent from that of 2014.

In 2016, the construction industry has a tendency to grow due to the expedition in investment in the infrastructure projects of the government while the real estate business has started improving to some extent and the construction work in Myanmar in 2016 was not that good because of a change in the government. Therefore, the construction work in Myanmar has declined so the operating profit of the company has increased 1.97% from that of 2015. The net profit in 2016 registered at 155.18 million baht.

Market Share

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

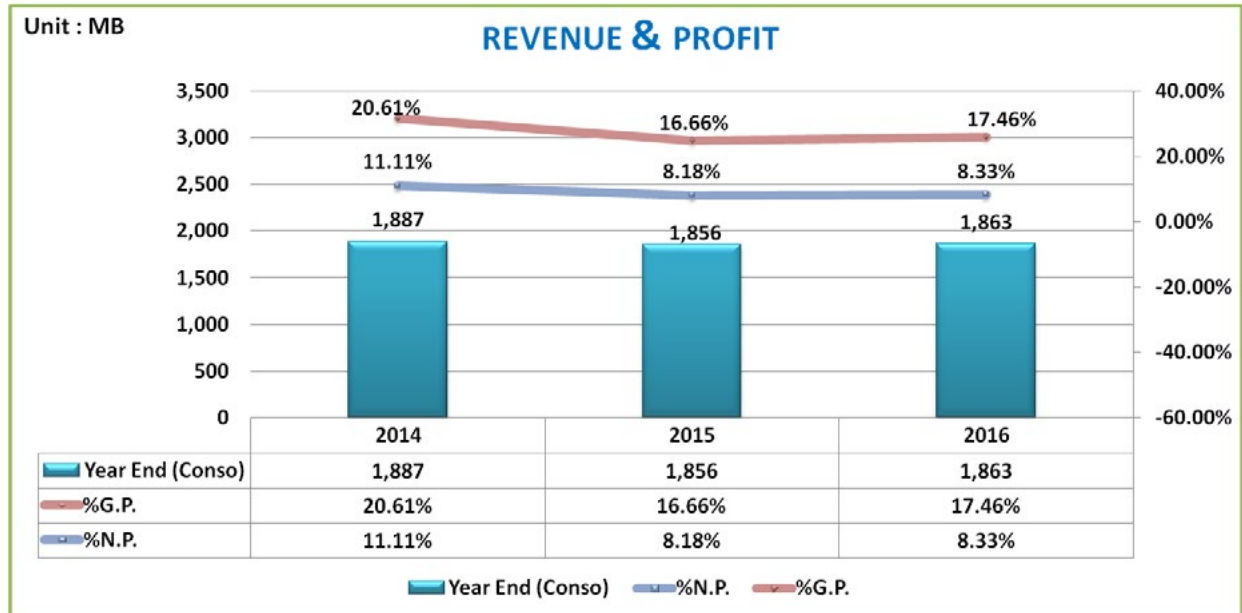
Market share	<u>2013</u>	<u>2014</u>	<u>2015</u>
Market value from research (million baht)	5,426	6,669	5,567
Share of the Company (percent)	32	26	31

Note : The data from the Ministry of Commerce has the year 2015.

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 2014 to 2016, we got paid for only labor at the rate of 44, 29 and 35 percent respectively; got paid for labor and main materials at the rate of 49, 65 and 64 percent 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 2014 the corporate group has main incomes from the services for 1,887 million baht consisting of incomes from piling work and diaphragm wall (only labor income) for 44 percent, incomes from piling work and diaphragm wall (job contracted with raw material incomes) for 49 percent, incomes from structure and civil work for 2 percent and overseas incomes for 5 percent.

In 2015 the corporate group has main incomes from the services for 1,856 million baht consisting of incomes from piling work and diaphragm wall (only labor income) for 29 percent, incomes from piling work and diaphragm wall (job contracted with raw material incomes) for 65 percent and overseas incomes for 6 percent.

In 2016 the corporate group has main incomes from the services for 1,863 million baht consisting of incomes from piling work and diaphragm wall (only labor income) for 35 percent, incomes from piling work and diaphragm wall (job contracted with raw material incomes) for 64 percent and overseas incomes for 1 percent.

Incomes in 2016, compared with that of 2015, registered an increase in main income for 7 million baht or 0.38% so the operating profit has increased from 2015 for 1.97% due to the work accepted only the labor cost because its profit margin is higher than that of the work including the material cost. The work accepted only the material cost has the profit margin of 35% of the main incomes in 2016, compared with 29% of the main incomes in 2015.

Revenue from source revenue

	<u>2014</u>	<u>2015</u>	<u>2016</u>
From government sector (percent)	36	21	17
From private sector (percent)	64	79	83

It is evident that jobs in the public sector have continued to decline due to delays in the projects of the public sector; however, it is anticipated that the construction in the public sector will be undertaken in 2017.

(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.

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.

The cost of the contracted work in 2015 was 1,546.91 million baht, compared with 1,498.12 million baht in 2014, an increase of 3.25 percent, because the jobs accepted with labor cost and major raw materials included have increased to 65 percent of the major service incomes in 2015 while the jobs accepted with labor cost and major raw materials included were only 49 percent in 2014.

The cost of the contracted work in 2016 was 1,537.98 million baht, compared with 1,546.91 million baht in 2015, an decrease of 0.58 percent, because the jobs accepted with labor cost and major raw materials included have increased to 65 percent of the major service incomes in 2016 while the jobs accepted with labor cost and major raw materials included were only 35 percent in 2015.

Sale and Administrative Expenses

In 2014, the sale and administrative expenses of 121.68 million Baht which increased by 45.30% as compared with 83.74 million Baht in 2013. This increase is due to the payment for staff and expenses of administration in Myanmar.

Selling and administrative expenses in 2015 were 126.18 million baht, compared with 121.68 million baht in 2014, an increase on 3.69 percent due to higher expenses related to the employees of the company.

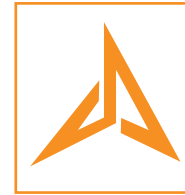
Selling and administrative expenses in 2016 were 137.04 million baht, compared with 126.18 million baht in 2015, an increase on 3.69 percent due to the employee expenses of the company, the prosecution expenses and loss on currency exchange.

Bad Debt

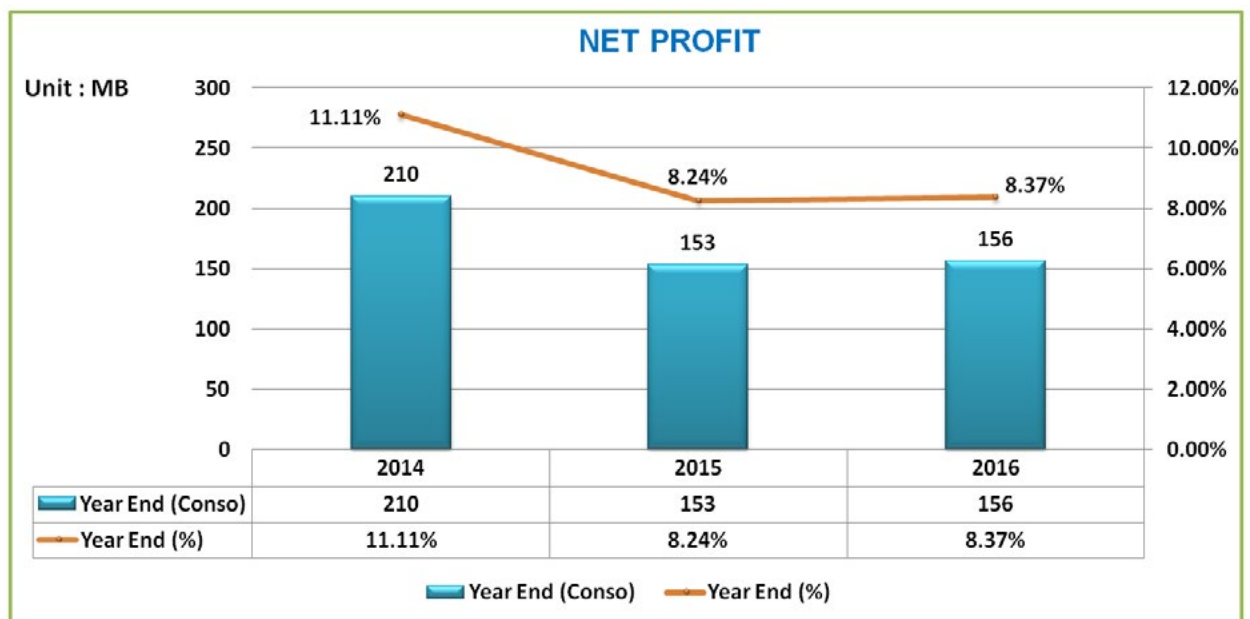
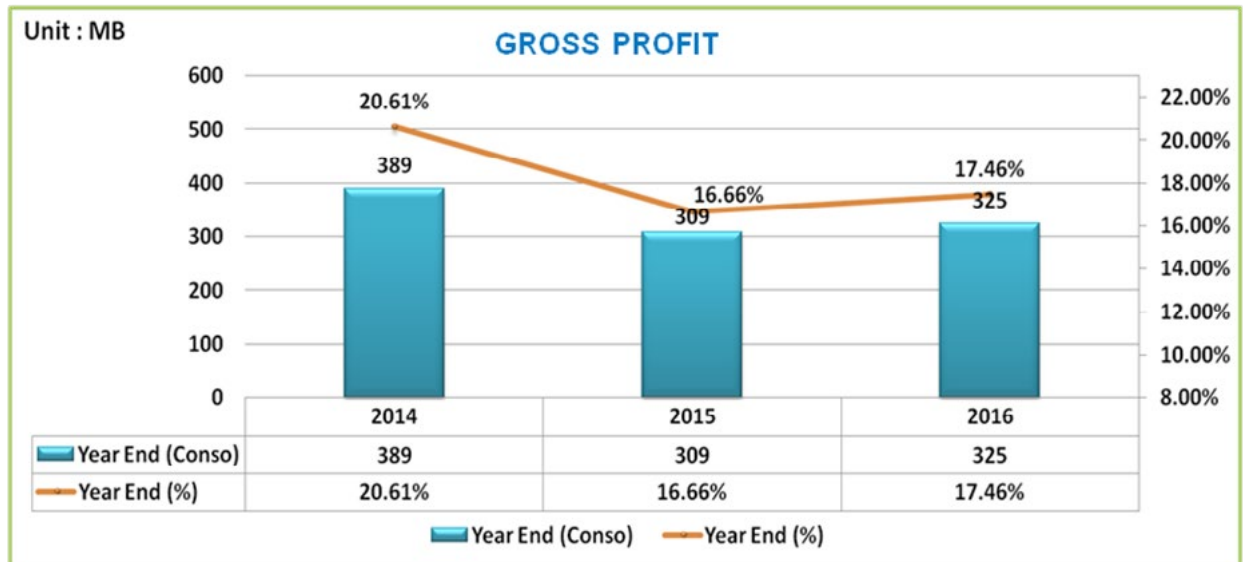
In 2014, we allocated 2.8 million Baht for bad debts because payments were 12 months overdue. However, we received 3.89 million Baht as payment for allocated bad debts.

In 2015, the Company did not set allowance for doubtful accounts but received 8.67 million baht recoverable amount.

No allowance for doubtful accounts was made in 2016. Besides, the company received the payment from the doubtful receivable for 200,000 baht.

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(C) Gross and Net Profit



In 2014, the gross profit of the company was 389 million bath, compared with 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 2014.

In 2015, the gross profit of the company was 309 million baht, compared with 389 million baht in 2014, a decline of 20.56% due to the type of the jobs accepted. In 2014 the jobs were the elevated trains (green line and blue line) while the jobs accepted in 2015 were the high-rise buildings of the private sector.

The gross profit of the company in 2016 was 325 million baht compared with 309 million baht in 2015, an increase of 5.18% due to the type of work accepted. In 2015 the work accepted from the private sector was high rising buildings but the work accepted in 2016 from the private sector was the high rising buildings and infrastructure work.



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The profit (loss) attributable to owners of the company was 210 million baht in 2014 compared with 142 million baht in 2013, an increase of 48%, this increase is due to faster work delivery during the time of national peace as compared with 2013. and income from overseas

profit (loss) attributable to owners of the company was 153.24 million baht in 2015 compared with 210 million baht in 2014, a decrease of 27.02%, due to the decrease in the gross profit and increase administration expense

The profit (loss) attributable to owners of the company was 156.07 million baht in 2016 compared with 153.24 million baht in 2015, an increase of 1.85%, due to the increase in the gross profit.

Investment in machinery

We invested 97.85 million Baht in the purchase of new cranes. We sent old cranes to work in Myanmar. The new cranes will replace the old ones.

The investment of 164 million baht in 2015 was made to purchase crane vehicle and piling machine to replace the old ones which would be sent to undertake the work overseas, which is Myanmar.

The capital investment was made for 197.04 million baht in 2016 to purchase crane vehicles and drilling machines to replace the old ones and to facilitate the expansion and the investment promotion policy of the government agencies.

Shareholders' Returns

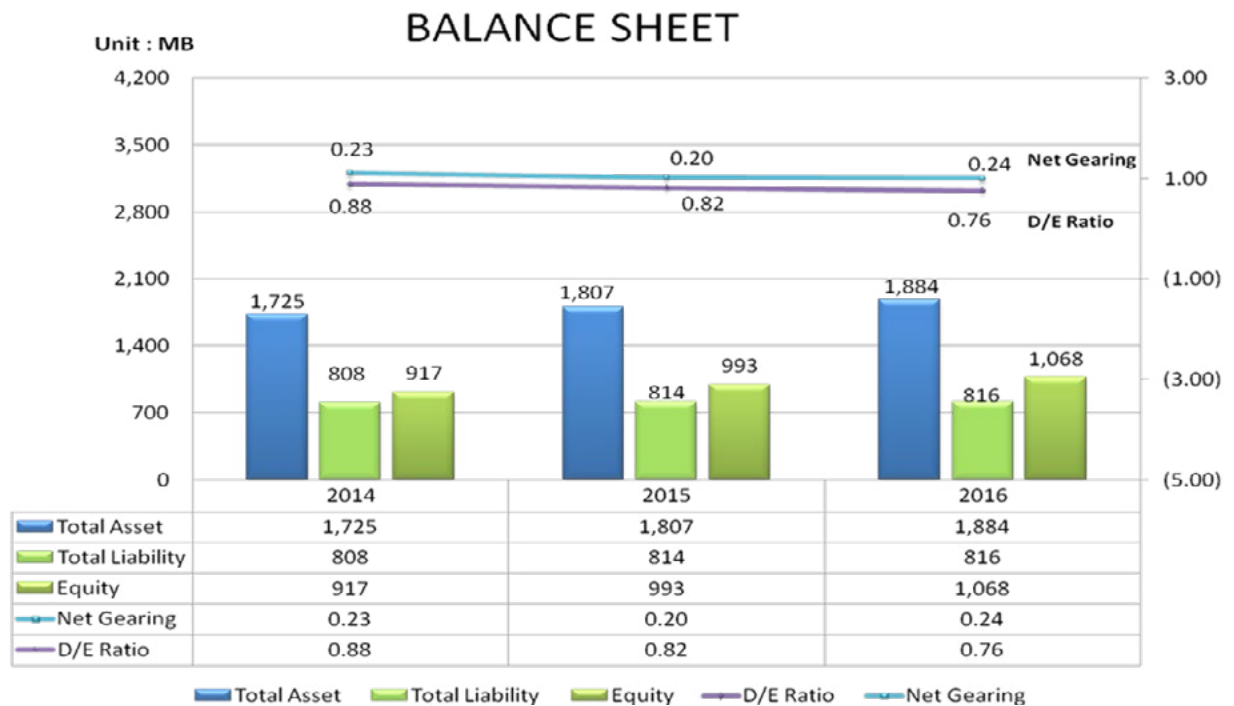
Our shareholders' returns were 18% in 2013 and 17% in 2012; it was an increase of 5.89%; this increase is due to higher net profit. Our shareholders' returns were 22% in 2014 and 18% in 2013; it was an increase of 22%; this increase is due to higher net profit.

In 2015 the return to shareholders was 15%, a decline of 31.81 percent because the operating results have decreased so the total profit is lower.

The return on stockholders in 2016 was 15% due to an increase in the operating results so the net profit has increased.

14.2 Analysis of Financial Status

14.2.1 Total Assets and Liabilities



Asset

Total assets in 2014, 2015 and 2016 were equal to 1,725 million baht, 1,807 million baht and 1,884 million baht.

In 2015 there was an increase of 82 million baht from that of 2014. The current assets have declined 44.78 million baht, mainly the accounts receivable not due for payment. The non-current assets increased by 127.58 million baht due to the increase in fixed assets in 2015, purchase of additional machines to replace the old machines, some of which would be sent to Myanmar.

Assets in 2016 have increased 77 million baht from that of 2015 while the current assets have declined 95 million baht due to the decrease in temporary investments. The non-current assets have increased 172 million baht due to the investment in fixed assets as additional machines have been acquired to replace the old ones, to facilitate the expansion and the investment promotion policy of the government agencies.

Liquidity

The total liabilities in 2014, 2015 and 2016 were 808 million baht, 814 million baht and 816 million baht respectively. The increase and decrease mostly incurred in the accounts payable and other payables. Increase or decrease in accounts payable is due to the portion of the work accepted. If the portion of the work in any year including the labor cost and supply cost has gone up, the accounts payable will increase as well but if the portion of the work in any year including only the labor cost has gone up, the accounts payable will decrease.

In 2015 the bonds of 150 million baht were issued and due within three years to finance the machinery purchase.

Long-Term Liabilities

Long term loan was 23.50 million Baht, 10.91 million Baht and 62.15 million Baht in 2014, 2015 and 2016 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.

In 2015 the borrowing has declined because the leases have been paid in accordance with the repayment schedule and the bonds were issued instead of leasing.

The bank loans in 2016 were replaced with the long-term borrowing instead of leasing.

Shareholders' Equity

Shareholders' equity was 917 million Baht, 993 million Baht and 1,068 million Baht in 2014, 2015 and 2016 respectively. It increases every year due to continuous profit from work performance.

Liquidity

The debt-to-equity ratio (D/E ratio) in 2016 was 0.76 time compared with 0.82 time in 2015 and 0.88 time in 2014. The company has made an agreement with a financial institute requiring the company to maintain its liquidity ratio not over 1.5 times. The net gearing ratio in 2016 was 0.24 time compared with 0.20 time and 0.23 time in 2015 and 2014 respectively. As a result, the corporate group has a better liquidity.

Source of Capital

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.

In 2015, the total liabilities of the corporate group was at 814.26 million baht, consisting of current liabilities of 582.19 million baht and long-term liabilities of 232.07 million baht, compared with the total liabilities of 808.08 million baht in 2014, consisting of current liabilities of 723.29 million baht and long-term liabilities of 84.79 million baht, an increase in the long-term liabilities to enhance the liquidity to the working capital of the company.

The total liabilities of the corporate group accounted at 815.95 million baht consisting of current liabilities of 545.12 million baht and long-term liabilities of 270.82 million baht, compared with 814.26 million baht in 2015 consisting of current liabilities of 582.19 million baht and long-term liabilities of 232,07 million baht. The long-term liabilities have increased to enhance the liquidity of the working capital of the company.

The source of the working capital is from a financial institute, accounts payable and issue of bonds.



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

As at December 31, 2015 and 2016. The company and its subsidiaries paid audit fee as follow:

Companies	Audit's name	Audit's Fee	Audit's Fee
		2015	2016
Seafco Public Company Limited	Mrs. Suvimol Krittayakiern	1,430,000	1,555,000
Seafco Construction Co., Ltd	Mrs. Suvimol Krittayakiern	95,000	95,000
Seafco Intertrade Co.,Ltd.	Mrs. Suvimol Krittayakiern	300,000	300,000
Seafco & Prayoonchai (1984) Joint Venture	Mrs. Suvimol Krittayakiern	60,000	60,000
Srinakarin Joint Venture	Mrs. Suvimol Krittayakiern	85,000	60,000
Total		1,970,000	2,070,000



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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 2016 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

(Dr. Narong Thasnanipan)

President and Chairman of the Executive Board

Report of the Audit Committee

Dear Shareholders

The audit committee of Seafco Co., Ltd. (Public) is consisting of 4 independent and qualified audit committee, chaired by Mr. Siwa Sangmanee, and the committee members are Mr. Somkuan Watakeekul, Mr. Somkual Musig-In and Mr. Loylean Bunnag.

The audit committee has conducted its work in accordance with the assignment made by the board of directors of the company, the requirements of the Stock Exchange of Thailand and the Charters of the audit committee. In 2016 there were 5 meetings arranged, four of which were the joint meeting with the external and internal auditors and the remaining meeting was the meeting with the directors, the executives and the management on assessment whether the internal control system is adequate or not. Moreover, the audit committee made a review on the practice to ensure good governance, compliance with laws and requirements of the Stock Exchange of Thailand, efficient and effective internal control system and internal audit system, sufficient risk management, development and employment of information technology in the management and prevention of frauds and corruption.

The performance and the opinions of the audit committee have been concluded as follows.

1. Review of the financial report

The audit committee in conjunction with the auditor has made a review on the interim financial information and the annual financial statements of 2016 and the notes of the auditor and additional opinions of the audit committee have been presented to the board of directors for improvement of the accounting system and internal control system of the company. The audit committee has viewed that the financial reports are in accordance with the financial reporting standard with complete and appropriate disclosure of key information as commented by the auditor in the financial reports.

2. Review of the internal control system and risk management

The audit committee in conjunction with the internal audit division has made a review on the internal control system and the risk management of the company with assessment on adequacy of the internal control system in accordance with the criteria of the Stock Exchange of Thailand and the opinion of the audit committee is that the internal control system of the company is appropriate, in existence and able to reduce the risk to the acceptable level.

3. Review of the internal audit system

The audit committee has made a review on the internal audit plan, performance of the internal audit division in accordance with the international standard and supervision of the work in accordance with the charter of the internal auditing work and the opinion of the audit committee is that the internal audit division has performed its work covering every system and the risk management with independence, fairness and effectiveness.

4. Review on compliance with laws and requirements of the Stock Exchange of Thailand and related transactions and transactions with possible conflict of interest

The audit committee has made a review on compliance with laws, rules and regulations of the government agencies and related transactions and the opinion of the audit committee is that the company has complied with laws properly and has conducted the related transactions in a reasonable manner with consideration on the optimal benefit of the company with complete disclosure on related transactions in notes to financial statements.

5. Review of the existence of assets

The audit committee has made a review to ensure the existence of the assets in conjunction with the internal auditing division and the opinion of the audit committee is that the assets are actually in existence as reported in the Financial reports.

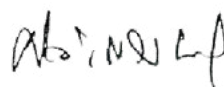
6. Review of good governance and anti-corruption practice

The audit committee has made a review on good governance practice of the board of directors of the company and the anti-corruption policy and the opinion of the audit committee is that the board of directors has complied with the business ethics with consideration of good governance principles and anti-corruption policy.

7. Selection, recommendation and appointment of the auditor

The audit committee has examined and approved Mrs. Suvimol Chrityakierne, D I A International Audit Co., Ltd. to be the auditor for the accounting period ended 31 December 2017 and has presented to the board of directors for further approval from the meeting of shareholders.

With regard to the work performed in accordance with the charter of the audit committee and the duty assigned, the audit committee has viewed that Seafco Co., Ltd. (Public) has implemented the good governance practice in place, has prepared the financial statements correctly and materially in accordance with the financial reporting standards, has complied with the laws, has arranged sufficient risk management system and internal control system with effective and efficient internal audit system.



(Mr. Siwa Sangmanee)

Chairman of the Audit Committee

28 February 2017

AUDITOR'S REPORT

To The Shareholders of SEAFCO PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated and separate financial statements of SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES (the Group) and SEAFCO PUBLIC COMPANY LIMITED (the Company), which comprise consolidated and separate statements of financial position as at December 31, 2016, 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, and notes to financial statements including a summary of significant accounting policies.

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, 2016, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King as relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Recognition of revenues from construction contracts business on a percentage of completion

The Company and subsidiaries have revenues from construction contract amount of Baht 1,863.30 million recognized on a percentage of completion of each construction contract. The calculation percentage of completion work at the reporting date is derived from comparing actual costs incurred with total estimated costs of completed construction. The Company and subsidiaries may take risk from the accuracy in the percentage of completion work caused by gathering cost of construction incurred and using of significant judgment in changing and properly updating in estimated costs of completed construction in part of construction work of existing contracts and increase or

decrease. The results of accuracy of the percentage of completion work have material impact to revenues and profit from operation. Accordingly, I have addressed the accuracy and completeness of actual costs of construction and estimated costs of completion work as key audit matter.

I have obtained an assurance in respect of the accuracy and completeness of recording costs of construction as incurred and estimated costs of completion work, by included;

- Obtained an understanding of internal control system relating to recording costs of construction as incurred and preparation the estimated costs of completion work.
- Tested the significant internal control relating to the accuracy and completeness of the record of costs of construction and estimated costs of completion work preparation.
- Checked the actual costs of construction with evidences supporting the transactions.
- Performed an observe the construction work on the field site by comparing the volume of completion work report with the actual completion work, inquire the controller engineering about the project situation and the proceeding and trouble of construction work for considering the factors which may have the impact on the estimated costs of completion work.
- Compared the percentage of completion work and report of results of construction approved by the consultancy engineering and considered the reasonable of discrepancy.
- Evaluated the appropriation of estimated costs of completion work by discussing with the Management involve the judgment and reviewing the suitability of such estimation.

Control of machineries and equipment on site work

As stated in notes 13 to financial statements, as at December 31, 2016 the Company and subsidiaries have material amount of machineries and equipment of Baht 620.68 million (net of accumulated depreciation amount of Baht 1,035.81 million) in the consolidated financial statements. Such machineries and equipment are main assets used in for providing services rendering to the customers since the Company and subsidiaries have many service sites and have to take such assets to perform the work at the site as stipulated by customers. Such assets, therefore, may easily lost or used as part of costs of hire of work. Accordingly, I have addressed the existing of such machineries and equipment as key audit matter.

I have obtained an assurance in respect of the existing of machineries and equipment, by included;

- Obtained an understanding of internal control system relating to machineries and equipment.
- Performed of the physical count stock of machineries and equipment at the end of period as disclosed in details of machineries and equipment of each site work.
- Checked the details of machineries and equipment of each service site at the end of period with the register control of machineries and equipment.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

D I A International Audit Co., Ltd.

(Mrs. Suvimol Chrityakerne)

C.P.A. (Thailand)

Registration No. 2982

February 27, 2017



SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2016

Assets	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2016	2015	2016	2015
Current assets					
Cash and cash equivalents	5	39,436,245.09	44,988,158.65	24,947,558.92	27,969,155.44
Current investment	6	1,439,256.30	131,964,324.17	1,439,256.30	131,964,324.17
Trade and other receivables	7	362,523,415.79	434,139,774.50	321,288,775.96	374,686,671.35
Unbilled receivable		249,069,021.45	142,722,276.38	245,396,646.48	139,135,820.49
Prepayment for wages and goods acquisition		2,851,582.44	5,585,114.17	2,659,334.60	3,794,966.41
Short-term loans		5,000,000.00	0.00	0.00	0.00
Inventories	8	77,274,784.84	73,330,118.17	73,820,755.70	70,702,218.42
Total current assets		737,594,305.91	832,729,766.04	669,552,327.96	748,253,156.28
Non-current assets					
Pledged bank deposits	9	67,967,179.81	72,929,893.42	67,737,115.04	72,702,447.43
Investment in joint venture	10	840,216.33	1,017,160.12	0.00	0.00
Investment in subsidiaries	11	0.00	0.00	14,999,400.00	14,999,400.00
Other long-term investments		10,062,822.57	8,752,611.77	6,262,571.49	5,000,000.00
Investment properties	12	29,666,448.59	29,650,681.08	29,666,448.59	29,650,681.08
Property, plant and equipment	13	741,053,105.79	594,500,951.19	724,784,835.39	582,478,184.37
Deferred tax assets	14	15,296,235.67	13,730,862.19	15,296,235.67	13,730,862.19
Retentions receivable	15	240,090,532.02	234,650,681.35	224,163,541.20	217,859,509.30
Income tax deducted at source		35,224,134.91	17,098,387.41	33,832,799.93	15,707,529.52
Other non-current assets		6,413,730.07	2,379,155.00	6,413,730.07	2,379,155.00
Total non-current assets		1,146,614,405.76	974,710,383.53	1,123,156,677.38	954,507,768.89
Total assets		1,884,208,711.67	1,807,440,149.57	1,792,709,005.34	1,702,760,925.17

Notes to financial statements are parts of these financial statements.



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SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Continued)

AS AT DECEMBER 31, 2016

Liabilities and shareholders' equity	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2016	2015	2016	2015
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	16	16,029,695.99	4,983,581.04	16,029,695.99	4,983,581.04
Trade and other payables		413,440,958.04	423,918,363.99	377,786,921.75	381,403,937.53
Amount received in advance					
under agreement		15,812,533.59	56,325,596.00	14,929,625.68	54,283,659.26
Retentions payable - contractor		28,877,584.86	29,468,855.68	13,392,894.82	13,954,578.64
Current portion of long-term					
liabilities	17	54,822,002.12	29,727,790.87	54,822,002.12	29,727,790.87
Short-term loans	18	0.00	20,000,000.00	0.00	20,000,000.00
Short-term provisions		15,946,880.03	15,522,585.21	15,417,831.41	13,748,105.21
Corporate income tax payable		193,643.33	2,240,900.56	0.00	0.00
Total current liabilities		545,123,297.96	582,187,673.35	492,378,971.77	518,101,652.55
Non-current liabilities					
Long-term loans	19	62,150,000.00	10,910,000.00	62,150,000.00	10,910,000.00
Debentures	20	150,000,000.00	150,000,000.00	150,000,000.00	150,000,000.00
Financial lease liabilities	21	11,612,189.36	27,698,266.20	11,612,189.36	27,698,266.20
Deferred tax liabilities	14	6,054,752.79	8,195,581.14	6,054,752.79	8,195,581.14
Employee benefit obligations	22	41,005,643.22	35,266,702.96	41,005,643.22	35,266,702.96
Total non-current liabilities		270,822,585.37	232,070,550.30	270,822,585.37	232,070,550.30
Total liabilities		815,945,883.33	814,258,223.65	763,201,557.14	750,172,202.85

Notes to financial statements are parts of these financial statements.



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SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Continued)

AS AT DECEMBER 31, 2016

Liabilities and shareholders' equity	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2016	2015	2016	2015
(Cont'd)					
Shareholders' equity					
Share capital					
Authorized share capital					
305,665,008 common shares					
of Baht 1 each	23	305,665,008.00		305,665,008.00	
305,666,263 common shares					
of Baht 1 each	23		305,666,263.00		305,666,263.00
Issued and paid-up share capital					
305,665,088 common shares					
of Baht 1 each	23	305,665,008.00	305,665,008.00	305,665,008.00	305,665,008.00
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	24	30,566,626.30	30,566,626.30	30,566,626.30	30,566,626.30
Unappropriated	25	556,926,378.54	481,946,458.17	529,275,813.90	452,357,088.02
Other components of equity		(1,669,263.67)	(1,160,413.33)	0.00	0.00
Total owners of the Company		1,055,488,749.17	981,017,679.14	1,029,507,448.20	952,588,722.32
Non-controlling interests		12,774,079.17	12,164,246.78	0.00	0.00
Total shareholders' equity		1,068,262,828.34	993,181,925.92	1,029,507,448.20	952,588,722.32
Total liabilities and shareholders' equity		1,884,208,711.67	1,807,440,149.57	1,792,709,005.34	1,702,760,925.17

Notes to financial statements are parts of these financial statements.



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SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2016

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2016	2015	2016	2015
Hire of work income		1,863,299,598.01	1,856,151,611.89	1,843,265,761.03	1,753,696,313.12
Cost of hire of work		(1,537,979,489.62)	(1,546,906,038.78)	(1,525,646,284.42)	(1,463,615,935.86)
Gross profit		325,320,108.39	309,245,573.11	317,619,476.61	290,080,377.26
Other income					
Reversed doubtful accounts		200,000.00	8,670,000.00	200,000.00	8,670,000.00
Others		14,599,011.01	16,832,227.98	13,400,795.84	15,607,307.77
Administrative expenses		(137,044,585.10)	(126,181,259.83)	(126,923,107.26)	(115,268,654.11)
Finance costs		(16,328,979.95)	(15,188,130.14)	(16,390,349.79)	(15,188,130.14)
Share of loss from joint venture		(176,943.79)	(409,112.11)	0.00	0.00
Profit before income tax		186,568,610.56	192,969,299.01	187,906,815.40	183,900,900.78
Income tax expenses	26	(31,391,597.42)	(41,083,466.74)	(29,898,765.40)	(36,594,531.60)
Profit for the year		155,177,013.14	151,885,832.27	158,008,050.00	147,306,369.18
Other comprehensive income:					
Items that might not be reclassified					
subsequently to profit or loss					
- Actuarial losses on defined					
employee benefit obligations	22	(2,020,690.04)	0.00	(2,020,690.04)	0.00
- Income tax related to components					
of other comprehensive income		404,138.00	0.00	404,138.00	0.00
		(1,616,552.04)	0.00	(1,616,552.04)	0.00
Items that may be reclassified					
subsequently to profit or loss					
- Exchange differences on translating					
financial statements		(508,850.34)	(1,446,065.23)	0.00	0.00
Other comprehensive loss for the year - net of tax		(2,125,402.38)	(1,446,065.23)	(1,616,552.04)	0.00
Total comprehensive income for the year		153,051,610.76	150,439,767.04	156,391,497.96	147,306,369.18

Notes to financial statements are parts of these financial statements.



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SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2016

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2016	2015	2016	2015
Profit (loss) attributable to:					
Owners of the Company		156,069,244.49	153,239,427.00	158,008,050.00	147,306,369.18
Non-controlling interests		(892,231.35)	(1,353,594.73)	0.00	0.00
		<u>155,177,013.14</u>	<u>151,885,832.27</u>	<u>158,008,050.00</u>	<u>147,306,369.18</u>
Total comprehensive income attributable to:					
Owners of the Company		153,943,842.11	151,793,361.77	156,391,497.96	147,306,369.18
Non-controlling interests		(892,231.35)	(1,353,594.73)	0.00	0.00
		<u>153,051,610.76</u>	<u>150,439,767.04</u>	<u>156,391,497.96</u>	<u>147,306,369.18</u>
Earnings per share					
Basic earnings per share		0.51	0.50	0.52	0.48
Averaged number of common shares		305,665,008	305,665,008	305,665,008	305,665,008

Notes to financial statements are parts of these financial statements.



SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2016

	Note	Consolidated financial statements								(Unit : Baht)
		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					
 Balance as at December 31, 2015 Changes in shareholders' equity for the year 2016: Ordinary share capital Profit for the year Other comprehensive income for the year Dividend paid by cash and ordinary shares Interim dividend Balance as at December 31, 2016		305,665,008.00	164,000,000.00	30,566,626.30	481,946,458.17	(1,160,413.33)	981,017,679.14	12,164,246.78	993,181,925.92	
	11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,502,063.74	1,502,063.74
		0.00	0.00	0.00	156,069,244.49	0.00	0.00	156,069,244.49	(892,231.35)	155,177,013.14
		0.00	0.00	0.00	(1,616,552.04)	(508,850.34)	(2,125,402.38)	(2,125,402.38)	0.00	(2,125,402.38)
	25	0.00	0.00	0.00	(45,849,676.20)	0.00	0.00	(45,849,676.20)	0.00	(45,849,676.20)
	25	0.00	0.00	0.00	(33,623,095.88)	0.00	0.00	(33,623,095.88)	0.00	(33,623,095.88)
		305,665,008.00	164,000,000.00	30,566,626.30	556,926,378.54	(1,669,263.67)	1,056,488,749.17	12,774,079.17	1,068,262,828.34	
Balance as at December 31, 2014 Changes in shareholders' equity for the year 2015 : Ordinary share capital Total comprehensive income for the year Dividend paid by cash and ordinary shares Interim dividend Legal reserve Balance as at December 31, 2015		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	
	11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	450.00	450.00
		0.00	0.00	0.00	153,239,427.00	(1,446,065.23)	151,793,361.77	(1,353,594.73)	150,439,767.04	150,439,767.04
	23, 25	14,564,281.00	0.00	0.00	(58,220,025.40)	0.00	(43,665,744.40)	0.00	(43,665,744.40)	(43,665,744.40)
	25	0.00	0.00	0.00	(30,564,440.80)	0.00	(30,564,440.80)	0.00	0.00	(30,564,440.80)
	24	0.00	0.00	1,454,188.60	(1,454,188.60)	0.00	0.00	0.00	0.00	0.00
		305,665,008.00	164,000,000.00	30,566,626.30	481,946,458.17	(1,160,413.33)	981,017,679.14	12,164,246.78	993,181,925.92	

Notes to financial statements are parts of these financial statements.



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SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

FOR THE YEAR ENDED DECEMBER 31, 2016

(Unit : Baht)

	Note	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, 2015		305,665,008.00	164,000,000.00	30,566,626.30	452,357,088.02	952,588,722.32
Changes in shareholders' equity						
for the year 2016 :						
Profit for the year		0.00	0.00	0.00	158,008,050.00	158,008,050.00
Other comprehensive income for the year		0.00	0.00	0.00	(1,616,552.04)	(1,616,552.04)
Dividend paid by cash and						
ordinary shares	25	0.00	0.00	0.00	(45,849,676.20)	(45,849,676.20)
Interim dividend paid	25	0.00	0.00	0.00	(33,623,095.88)	(33,623,095.88)
Balance as at December 31, 2016		305,665,008.00	164,000,000.00	30,566,626.30	529,275,813.90	1,029,507,448.20
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
Changes in shareholders' equity						
for the year 2015 :						
Total comprehensive income						
for the year		0.00	0.00	0.00	147,306,369.18	147,306,369.18
Dividend paid by cash and						
ordinary shares	23 , 25	14,554,281.00	0.00	0.00	(58,220,025.40)	(43,665,744.40)
Interim dividend paid	25	0.00	0.00	0.00	(30,564,440.80)	(30,564,440.80)
Legal reserve	24	0.00	0.00	1,454,188.60	(1,454,188.60)	0.00
Balance as at December 31, 2015		305,665,008.00	164,000,000.00	30,566,626.30	452,357,088.02	952,588,722.32

Notes to financial statements are parts of these financial statements.



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SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2016

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Cash flows from operating activities				
Profit before income tax	186,568,610.56	192,969,299.01	187,906,815.40	183,900,900.78
Adjustment				
Depreciation	107,075,897.34	92,120,516.57	105,106,926.33	90,819,086.39
Doubtful accounts	618,200.93	33,847.23	618,200.93	33,847.23
Reversed doubtful accounts	(200,000.00)	(8,670,000.00)	(200,000.00)	(8,670,000.00)
Unrealized gain on changes in investment value	0.00	(1,638,888.58)	0.00	(1,638,888.58)
(Increase) Decrease in unbilled receivable	(106,346,745.07)	102,468,499.60	(106,260,825.99)	80,899,499.86
Allowance for defective materials	0.00	4,500,000.00	0.00	4,500,000.00
Write-off other assets	3,839,050.88	7,265,770.04	3,787,933.55	4,456,736.89
Unrealized loss on exchange rate	1,350.00	1,283.26	1,350.00	1,283.26
Loss on sale of investment in subsidiaries	1,324,378.74	0.00	0.00	0.00
Share of loss from joint venture	176,943.79	409,112.11	0.00	0.00
Gain on disposal of fixed assets	(5,739,774.22)	(4,362,369.44)	(5,739,774.22)	(4,362,369.44)
Loss on write-off of fixed assets	312,443.10	1,065,185.66	312,443.10	360,661.79
Increase (Decrease) in short-term provisions	470,561.43	(6,058,406.90)	1,669,726.20	(7,832,886.90)
Increase in employee benefit provisions	2,449,200.22	4,541,058.96	2,449,200.22	4,541,058.96
Interest expenses	16,390,349.79	15,188,130.14	16,390,349.79	15,188,130.14
	206,940,467.49	399,833,037.66	206,042,345.31	362,197,060.38
(Increase) Decrease of changes in operating assets				
Trade and other receivables	68,199,794.51	(37,310,637.73)	49,854,763.52	(21,313,016.29)
Prepayment for wages and acquire of goods	2,733,531.73	4,437,215.63	1,135,631.81	(882,177.25)
Inventories	(3,944,666.67)	21,413,242.22	(3,118,537.28)	21,580,469.00
Retentions receivable	(6,058,051.60)	(47,611,632.59)	(6,922,232.83)	(45,855,171.81)
Other non-current assets	(4,034,575.07)	(431,755.00)	(4,034,575.07)	(431,755.00)

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, 2016

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Increase (Decrease) of changes in operating liabilities				
Trade and other payables	(14,511,885.27)	57,179,164.29	(7,651,495.10)	55,467,991.82
Advances received under agreement	(40,513,062.41)	(33,185,030.46)	(39,354,033.58)	(9,571,905.84)
Retentions payable - contractor	(591,270.82)	(1,900,330.02)	(561,683.82)	(1,928,585.02)
Employee benefit obligations	(310,000.00)	(138,000.00)	(310,000.00)	(138,000.00)
Cash generated (paid) from operation	207,910,281.89	362,285,274.00	195,080,182.96	359,124,909.99
Interest paid	(14,555,697.45)	(14,538,431.52)	(14,555,697.45)	(14,538,431.52)
Income tax paid	(54,866,665.98)	(48,687,693.94)	(51,326,099.64)	(45,992,079.42)
Net cash provided by (used in) operating activities	138,487,918.46	299,059,148.54	129,198,385.87	298,594,399.05
Cash flows from investing activities				
Increase (Decrease) in current investment	130,525,067.87	(30,000,000.00)	130,525,067.87	(30,000,000.00)
Increase in short-term loans	(5,000,000.00)	0.00	0.00	0.00
Decrease in pledged bank deposits	4,962,713.61	5,146,007.30	4,965,332.39	2,671,479.60
Payments for investment in subsidiary	0.00	0.00	0.00	(7,499,550.00)
Other long-term investments	(1,310,210.80)	(2,525,700.39)	(1,262,571.49)	0.00
Payments for investment properties	(15,767.51)	0.00	(15,767.51)	0.00
Payments for fixed assets acquisition	(248,217,849.89)	(161,990,613.80)	(242,003,375.30)	(154,108,800.51)
Proceeds from sales of fixed assets	3,749,854.37	4,292,037.43	3,749,854.37	4,292,037.43
Net cash provided by (used in) investing activities	(115,306,192.35)	(185,078,269.46)	(104,041,459.67)	(184,644,833.48)

Notes to financial statements are parts of these financial statements.



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SEAFCO PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Continued)

FOR THE YEAR ENDED DECEMBER 31, 2016

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Cash flows from financing activities				
Increase (Decrease) in bank overdrafts and short-term loans from financial institutions	11,046,114.95	(39,261,901.80)	11,046,114.95	(39,261,901.80)
Decrease in short-term loans	(20,000,000.00)	(85,000,000.00)	(20,000,000.00)	(85,000,000.00)
Increase (Decrease) in long-term loans	77,409,930.00	(25,444,000.00)	77,409,930.00	(25,444,000.00)
Proceeds from debentures issuance	0.00	150,000,000.00	0.00	150,000,000.00
Payments for financial lease liabilities	(17,161,795.59)	(20,076,150.00)	(17,161,795.59)	(20,076,150.00)
Cash dividend paid	(79,472,772.08)	(74,230,185.20)	(79,472,772.08)	(74,230,185.20)
Proceeds from non-controlling interests	0.00	450.00	0.00	0.00
Net cash provided by (used in) financing activities	(28,178,522.72)	(94,011,787.00)	(28,178,522.72)	(94,012,237.00)
Effects on translating financial statements	(555,116.95)	(1,446,065.23)	0.00	0.00
Net increase (decrease) in cash and cash equivalents	(5,551,913.56)	18,523,026.85	(3,021,596.52)	19,937,328.57
Cash and cash equivalents as at January 1	44,988,158.65	26,465,131.80	27,969,155.44	8,031,826.87
Cash and cash equivalents as at December 31	39,436,245.09	44,988,158.65	24,947,558.92	27,969,155.44

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, 2016

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 Thai 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 adoption during the period

The Federation of Accounting Professions issued accounting standards, financial reporting standards, standing interpretations committee and financial reporting interpretations committee which are effective for the financial statements beginning on or after January 1, 2016 as detailed below:

Contents

Accounting Standards

TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events After the Reporting Period
TAS 11 (revised 2015)	Construction Contracts
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 20 (revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs



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Accounting Standards

TAS 24 (revised 2015)	Related Party Disclosures
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2015)	Separate Financial Statements
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures
TAS 29 (revised 2015)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2015)	Earnings Per Share
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible Assets
TAS 40 (revised 2015)	Investment Property
TAS 41	Agriculture

Financial Reporting Standards

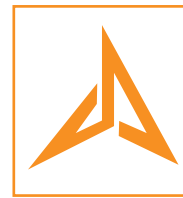
TFRS 2 (revised 2015)	Share-based Payment
TFRS 3 (revised 2015)	Business Combinations
TFRS 4 (revised 2015)	Insurance Contracts
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2015)	Exploration for and Evaluation of Mineral Assets
TFRS 8 (revised 2015)	Operating Segments
TFRS 10 (revised 2015)	Consolidated Financial Statements
TFRS 11 (revised 2015)	Joint Arrangements
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2015)	Fair Value Measurement

Standing Interpretations Committee

TSIC 10 (revised 2015)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (revised 2015)	Operating Leases - Incentives
TSIC 25 (revised 2015)	Income Taxes - Changes in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (revised 2015)	Disclosure - Service Concession Arrangements
TSIC 31 (revised 2015)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (revised 2015)	Intangible Assets - Web Site Costs

Financial Reporting Interpretations Committee

TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2015)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds



Contents

Financial Reporting Interpretations Committee

TFRIC 7 (revised 2015)	Applying the Restatement Approach under TAS 29 (Revised 2015) <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2015)	Service Concession Arrangements
TFRIC 13 (revised 2015)	Customer Loyalty Programmes
TFRIC 14 (revised 2015)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction for TAS 19 (Revised 2015) <i>Employee Benefits</i>
TFRIC 15 (revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2015)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2015)	Transfers of Assets from Customers
TFRIC 20 (revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21	Levies

During the year, the Company has adopted the revised and new financial reporting standards and accounting guidance issued by the Federation of Accounting Professions. From aforementioned adoption, these financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company.

2.3 Financial Reporting Standards issued and revised which will be effective in the future

The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (TFRSs), which are effective for the financial statements for the periods beginning on or after January 1, 2017 onwards, as follows:

Contents

Accounting Standards

TAS 1 (Revised 2016)	Presentation of Financial Statements
TAS 2 (Revised 2016)	Inventories
TAS 7 (Revised 2016)	Statement of Cash Flows
TAS 8 (Revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2016)	Events after the Reporting Period
TAS 11 (Revised 2016)	Construction Contracts
TAS 12 (Revised 2016)	Income taxes
TAS 16 (Revised 2016)	Property, Plant and Equipment
TAS 17 (Revised 2016)	Leases
TAS 18 (Revised 2016)	Revenue
TAS 19 (Revised 2016)	Employee Benefits
TAS 20 (Revised 2016)	Accounting for Government Grants and Disclosure of Government Assistance



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Accounting Standards

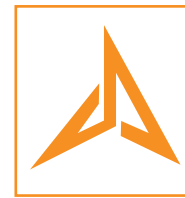
TAS 21 (Revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (Revised 2016)	Borrowing Costs
TAS 24 (Revised 2016)	Related Party Disclosures
TAS 26 (Revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2016)	Separate Financial Statements
TAS 28 (Revised 2016)	Investment in Associates and Joint Ventures
TAS 29 (Revised 2016)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2016)	Earnings Per Share
TAS 34 (Revised 2016)	Interim Financial Reporting
TAS 36 (Revised 2016)	Impairment of Assets
TAS 37 (Revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2016)	Intangible Assets
TAS 40 (Revised 2016)	Investment Property
TAS 41 (Revised 2016)	Agriculture
TAS 104 (Revised 2016)	Accounting for Troubled Debt Restructuring
TAS 105 (Revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (Revised 2016)	Financial Instruments Disclosure and Presentation

Financial Reporting Standards

TFRS 2 (Revised 2016)	Share-based Payment
TFRS 3 (Revised 2016)	Business Combinations
TFRS 4 (Revised 2016)	Insurance Contracts
TFRS 5 (Revised 2016)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2016)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2016)	Operating Segments
TFRS 10 (Revised 2016)	Consolidated Financial Statements
TFRS 11 (Revised 2016)	Joint Arrangements
TFRS 12 (Revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2016)	Fair Value Measurement

Accounting Standard Interpretations

TSIC 10 (Revised 2016)	Government Assistance-No Specific Relation to Operating Activities
TSIC 15 (Revised 2016)	Operating Leases-Incentives
TSIC 25 (Revised 2016)	Income Taxes-Changes in the Tax Status of and Enterprise or its Shareholders
TSIC 27 (Revised 2016)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (Revised 2016)	Service Concession Arrangements: Disclosures
TSIC 31 (Revised 2016)	Revenue-Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2016)	Intangible Assets-Web Site Costs



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Financial Reporting Standard Interpretations

TFRIC 1 (Revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2016)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2016)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2016)	Applying the Restatement Approach under TAS 29 (Revised 2016) <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10 (Revised 2016)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2016)	Service Concession Arrangements
TFRIC 13 (Revised 2016)	Customer Loyalty Programmes
TFRIC 14 (Revised 2016)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction, TAS 19 (Revised 2016) <i>Employee Benefits</i>
TFRIC 15 (Revised 2016)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2016)	Distributions of Non-cash Assets to Owners
TFRIC 18 (Revised 2016)	Transfers of Assets from Customers
TFRIC 20 (Revised 2016)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (Revised 2016)	Levies

The Company still has not a plan to adopt such financial reporting standards early application and expected that they will have no material impacts on the financial statements in the year in which they are applied.

3. CONSOLIDATED FINANCIAL STATEMENTS PREPARATION BASIS

3.1 The consolidated financial statements have been prepared by including the financial statements of its subsidiaries 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
		2016	2015	
Subsidiaries				
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 80%)	Myanmar	80	90	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.

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 and subsidiaries 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 and subsidiaries 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 and subsidiaries 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 and subsidiaries 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 and subsidiaries 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 and subsidiaries 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, debentures 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 and subsidiaries 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 Employee Benefits

4.12.1 Provident fund

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

4.12.2 Employee benefits

The Company and subsidiaries provide 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 of which calculated by the Independent Actuary by using Actuarial Technique. The calculation was made from determining the present value of future cash flows expected to be required to settle and determines discount rate by reference to market yield of government bonds should have terms to maturity approximately equal to the terms of such obligations. In determine the future cash flows expected to be required to settle is used from employees' salaries, turnover, length of services and other factors. Changes in actuarial gains or losses are recognized in the period in which they are incurred in other comprehensive income. Expenses related to employee benefits shall be recorded in profit or loss for sharing such expenses throughout the period of services rendering.

4.13 Income tax and deferred tax

1. 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.
2. 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.
3. 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.

4. 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.
5. 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 Provisions

The Company and subsidiaries 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.

4.15 Measurement of fair values

The Company and subsidiaries have an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuation should be classified.

When measuring the fair value of an asset or a liability, the Company and subsidiaries use market observable data as fair as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows :

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liabilities, either directly (i.e. as prices) or indirectly (i.e. observable prices).
- Level 3 : inputs are unobservable for the asset or liability.

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company and subsidiaries recognized transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.



4.16 Significant accounting judgements and estimates

The preparation of financial statements in conformity with Thai Financial Reporting Standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Allowance for diminution in value of inventory

The determination of allowance for diminution in the value of inventory, requires management to make judgements and estimates. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business; and provision for obsolete, slow-moving and deteriorated inventories, is estimated based on the approximate useful life of each type of inventory.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Intangible assets

The initial recognition and measurement of intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized.

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plans and other long-term employee benefit plans are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.



4.17 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. ADDITIONAL DISCLOSURE OF CASH FLOWS INFORMATION

5.1 Cash and cash equivalents

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Cash on hand	1,957,974.37	1,591,045.27	1,300,052.94	1,036,940.30
Cash at banks - current accounts	27,741,127.08	43,361,952.19	20,870,585.28	26,915,148.14
Cash at banks - savings deposit	8,863,734.19	35,161.19	1,903,511.25	17,067.00
Cash at banks - fixed deposit	873,409.45	0.00	873,409.45	0.00
Total	39,436,245.09	44,988,158.65	24,947,558.92	27,969,155.44

5.2 Non-cash transaction

For the year 2016

The Company has acquired machineries and equipment in the amount of Baht 4.42 million, are due payment in 2017 which was presented as payable for fixed assets acquisition.

For the year 2015

- 1) The Company has acquired machineries and equipment in the amount of Baht 2.12 million, are due payment in 2016 which was presented as payable for fixed assets acquisition.
- 2) The Company entered into financial lease for machineries and equipment amount of Baht 29.03 million and vehicles amount of Baht 0.89 million which was presented as financial lease liabilities.
- 3) The Company has received the debt payment amount of Baht 3.50 million by land with its construction.

6. CURRENT INVESTMENTS

	Consolidated and Separate financial statements (Baht)	
	2016	2015
Cash at banks	1,439,256.30	0.00
Opened - End Fund	0.00	131,964,324.17
Total	1,439,256.30	131,964,324.17

Such open-end funds invested in debt securities of government and private agencies.



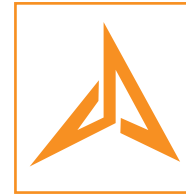
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7. TRADE AND OTHER RECEIVABLES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Trade accounts receivable	362,777,161.53	430,050,046.44	354,241,393.98	404,610,238.91
Other receivables				
Advance payment to contractors	28,359,545.75	28,359,545.75	0.00	0.00
Others	11,324,408.00	15,867,881.80	6,985,081.47	10,214,131.93
Total	402,461,115.28	474,277,473.99	361,226,475.45	414,824,370.84
Less Allowance for doubtful accounts				
- Trade accounts receivable	(39,937,699.49)	(40,137,699.49)	(39,937,699.49)	(40,137,699.49)
Net	362,523,415.79	434,139,774.50	321,288,775.96	374,686,671.35

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Collected accounts receivable separated by aging				
Unbilled trade accounts receivable	279,454,713.60	262,517,918.70	279,270,675.31	245,966,054.94
Overdue trade accounts receivable				
- Less than 3 months	15,323,836.11	86,738,512.01	15,492,079.94	86,421,837.27
- Over 3 months to 6 months	2,363,311.89	2,227,982.78	2,692,608.77	1,794,635.27
- Over 6 months to 12 months	727,083.09	4,123,882.00	877,229.66	4,123,882.00
- Over 12 months	64,908,216.84	74,441,750.95	55,908,800.30	66,303,829.43
Total	362,777,161.53	430,050,046.44	354,241,393.98	404,610,238.91



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8. INVENTORIES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Construction materials	23,970,256.16	19,493,876.89	21,892,236.32	17,422,377.14
Supplies	66,014,413.79	66,546,126.39	64,638,404.49	65,989,726.39
Total	89,984,669.95	86,040,003.28	86,530,640.81	83,412,103.53
Less Allowance for defective materials	(12,709,885.11)	(12,709,885.11)	(12,709,885.11)	(12,709,885.11)
Net	77,274,784.84	73,330,118.17	73,820,755.70	70,702,218.42

9. PLEDGED BANK DEPOSITS

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Savings deposit	43,000,000.00	44,703,362.72	43,000,000.00	44,703,362.72
Fixed deposit	24,967,179.81	28,226,530.70	24,737,115.04	27,999,084.71
Total	67,967,179.81	72,929,893.42	67,737,115.04	72,702,447.43

As at December 31, 2016 and 2015, the Company and subsidiaries have savings deposit with several banks to guarantee bank overdrafts and short-term loans from financial institution (note 16) and letter of guarantee (note 34.2).



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10. INVESTMENT IN JOINT VENTURE

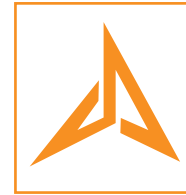
Joint Venture's name	Type of business	Percentage of shareholding (%)	Consolidated financial statements (Baht) Investment under equity method	
			2016	2015
Srinakarin Joint Venture	Contractual construction work	30	759,854.98	892,622.30
Seafco Co., Ltd. and Prayoonchai (1984) Co., Ltd. Joint Venture	Contractual construction work	45	80,361.35	124,537.82
		Total	840,216.33	1,017,160.12

10.1 The financial statements for the year ended December 31, 2016 and 2015 of the above mentioned two joint venture have been taken to prepare the consolidated financial statements, were already audited by the auditor.

10.2 Financial information of joint venture is summarized as follows:

	Total assets		Total liabilities		Total revenues for the year ended		Total comprehensive income (expense) for the year ended	
	2016	2015	2016	2015	2016	2015	2016	2015
Srinakarin Joint Venture	2.60	3.53	0.07	0.56	0.54	0.00	(0.44)	(1.20)
Seafco Co., Ltd. and Prayoonchai (1984) Co., Ltd. Joint Venture	0.63	0.69	0.45	0.47	0.00	0.00	(0.10)	(0.11)

(Unit : Million Baht)



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11. INVESTMENTS IN SUBSIDIARIES

Company's name	Incorporated in	Paid-up share capital (Baht)	Percentage of shareholding		Separate financial statements Cost method	
			2016	2015	2016	baht 2015
Seafco Construction Co., Ltd.	Thailand	10,000,000.00	50	50	5,000,000.00	5,000,000.00
Seafco Intertrade Co., Ltd.	Thailand	10,000,000.00	99.99	99.99	9,999,400.00	9,999,400.00
Total					14,999,400.00	14,999,400.00

11.1 The financial statements of above subsidiaries which have been taken to prepare the consolidated financial statements for the year ended December 31, 2016 and 2015 were audited by the auditor respectively.

11.2 During the year 2015, Seafco Intertrade Co., Ltd. has received the payment of share capital from calling for the payment of the remaining amount of Baht 2.49 million and also registered the increase share capital from Baht 5 million to Baht 10 million (divided into 100,000 shares at par value of Baht 100 each), already paid-up amount of Baht 5 million (100% of the increased share capital). The Company's proportion of shareholding was not changed.

12. INVESTMENT PROPERTIES

As at December 31, 2016 and 2015, the Company has investment properties amount of Baht 29.67 million (at fair value of Baht 35.43 million) and Baht 29.65 million (at fair value of Baht 30.65 million) respectively which are land, land with its construction and condominium from receive the payment construction expenses from customers.

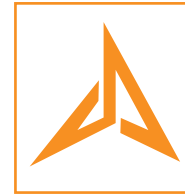


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13. PROPERTY, PLANT AND EQUIPMENT

	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, 2014	58,463,714.09	54,490,301.85	1,272,098,137.95	47,623,827.70	84,500,286.23	19,355,164.08	1,536,531,431.90	
Acquisition	0.00	0.00	139,411,896.21	7,046,601.38	4,166,490.56	21,315,808.34	171,940,796.49	
Disposal	(718,674.67)	0.00	(9,733,279.50)	(1,769,286.98)	(10,519,573.15)	0.00	(22,740,814.30)	
Inter-transaction transfer	0.00	2,548,606.42	25,933,914.63	0.00	6,465,805.15	(34,948,326.20)	0.00	
As at December 31, 2015	57,745,039.42	57,038,908.27	1,427,710,669.29	52,901,142.10	84,613,008.79	5,722,646.22	1,685,731,414.09	
Acquisition	0.00	52,091.94	233,229,718.34	4,388,650.43	8,200,258.89	9,784,244.14	255,654,963.74	
Disposal	0.00	0.00	(15,533,186.19)	(1,801,398.93)	(5,164,820.05)	0.00	(22,499,405.17)	
Inter-transaction transfer	0.00	1,465,694.95	11,081,967.05	0.00	1,690,799.20	(14,238,461.20)	0.00	
As at December 31, 2016	57,745,039.42	58,556,695.16	1,656,489,168.49	55,488,393.60	89,339,246.83	1,268,429.16	1,918,886,972.66	
Accumulated depreciation								
As at December 31, 2014	718,672.76	29,440,186.39	880,700,110.10	33,000,281.39	76,417,591.68	0.00	1,020,276,842.32	
Depreciation for the year	0.00	1,891,340.92	81,768,817.47	3,813,905.07	4,646,453.11	0.00	92,120,516.57	
Depreciation - write off	(718,672.76)	0.00	(8,537,510.86)	(1,421,030.20)	(10,489,682.17)	0.00	(21,166,895.99)	
As at December 31, 2015	0.00	31,331,527.31	953,931,416.71	35,393,156.26	70,574,362.62	0.00	1,091,230,462.90	
Depreciation for the year	0.00	2,051,027.93	95,955,069.77	4,797,340.78	4,272,488.86	0.00	107,075,897.34	
Depreciation - write off	0.00	0.00	(14,081,290.64)	(1,373,128.54)	(5,018,074.19)	0.00	(20,472,493.37)	
As at December 31, 2016	0.00	33,382,555.24	1,035,805,185.84	38,817,368.50	69,828,757.29	0.00	1,177,833,866.87	
Net assets value								
As at December 31, 2015	57,745,039.42	25,707,380.96	473,779,252.58	17,507,985.84	14,038,646.17	5,722,646.22	594,500,951.19	
As at December 31, 2016	57,745,039.42	25,174,139.92	620,683,982.65	16,671,025.10	19,510,489.54	1,268,429.16	741,053,105.79	



	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, 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	
Acquisition	0.00	0.00	132,215,418.75	6,372,937.11	4,166,490.56	21,304,136.78	164,058,983.20	
Disposal	(718,674.67)	0.00	(9,115,494.13)	(1,534,605.86)	(10,519,573.15)	0.00	(21,888,347.81)	
Inter-transaction transfer	0.00	2,548,606.42	25,922,243.07	0.00	6,465,805.15	(34,936,654.64)	0.00	
As at December 31, 2015	57,745,039.42	57,038,908.27	1,416,311,792.98	50,107,640.21	83,967,558.79	5,722,646.22	1,670,893,585.89	
Acquisition	0.00	52,091.94	227,421,219.76	4,114,716.02	8,200,258.89	9,652,202.54	249,440,489.15	
Disposal	0.00	0.00	(15,533,186.19)	(1,801,398.93)	(5,164,820.05)	0.00	(22,499,405.17)	
Inter-transaction transfer	0.00	1,465,694.95	11,081,967.05	0.00	1,690,799.20	(14,238,461.20)	0.00	
As at December 31, 2016	57,745,039.42	58,556,695.16	1,639,281,793.60	52,420,957.30	88,693,796.83	1,136,387.56	1,897,834,669.87	
Accumulated depreciation								
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	
Depreciation for the year	0.00	1,891,340.92	80,999,743.82	3,410,638.54	4,517,363.11	0.00	90,819,086.39	
Depreciation - write off	(718,672.76)	0.00	(8,433,557.64)	(1,377,040.80)	(10,489,682.17)	0.00	(21,018,953.37)	
As at December 31, 2015	0.00	31,331,527.31	952,427,790.65	34,320,802.69	70,335,280.87	0.00	1,088,415,401.52	
Depreciation for the year	0.00	2,051,027.93	94,503,625.75	4,408,893.78	4,143,378.87	0.00	105,106,926.33	
Depreciation - write off	0.00	0.00	(14,081,290.64)	(1,373,128.54)	(5,018,074.19)	0.00	(20,472,493.37)	
As at December 31, 2016	0.00	33,382,555.24	1,032,850,125.76	37,356,567.93	69,460,585.55	0.00	1,173,049,834.48	
Net assets value								
As at December 31, 2015	57,745,039.42	25,707,380.96	463,884,002.33	15,786,837.52	13,632,277.92	5,722,646.22	582,478,184.37	
As at December 31, 2016	57,745,039.42	25,174,139.92	606,431,667.84	15,064,389.37	19,233,211.28	1,136,387.56	724,784,835.39	

As at December 31, 2016 and 2015, the Company has land with its construction at cost amount of Baht 111.90 million and 106.01 million (respectively) 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 34.2).
As at December 31, 2016 and 2015, the Company has machineries and vehicles at cost of Baht 76.22 million and Baht 92.69 million respectively which is being made the payment under the lease agreement (note 21).

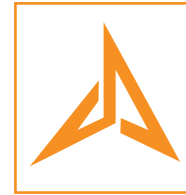


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14. DEFERRED TAX ASSETS / LIABILITIES

	Consolidated and Separate financial statements (Baht)				
	December 31, 2014	Recognize as (expenses) income in profit or loss (note 26.2)	December 31, 2015	Recognize as (expenses) income in profit or loss (note 26.2 and 26.3)	December 31, 2016
<u>Deferred tax assets</u>					
Trade accounts receivable (allowance for doubtful accounts)	3,708,411.63	0.00	3,708,411.63	(40,000.00)	3,668,411.63
Inventories (allowance for devaluation of finished goods)	21,977.03	0.00	21,977.03	0.00	21,977.03
Retentions receivable (allowance for doubtful accounts)	197,511.90	0.00	197,511.90	123,640.19	321,152.09
Short-term provisions	4,316,198.42	(1,566,577.38)	2,749,621.04	333,945.24	3,083,566.28
Employee benefit obligations	6,172,728.80	880,611.79	7,053,340.59	1,147,788.05	8,201,128.64
Total	14,416,827.78	(685,965.59)	13,730,862.19	1,565,373.48	15,296,235.67
<u>Deferred tax liabilities</u>					
Financial lease liabilities	(10,613,152.68)	2,417,571.54	(8,195,581.14)	2,140,828.35	(6,054,752.79)
Net	3,803,675.10	1,731,605.95	5,535,281.05	3,706,201.83	9,241,482.88

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	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Retentions	242,075,592.47	236,017,540.87	226,148,601.65	219,226,368.82
Less Allowance for doubtful accounts	(1,985,060.45)	(1,366,859.52)	(1,985,060.45)	(1,366,859.52)
Net	240,090,532.02	234,650,681.35	224,163,541.20	217,859,509.30

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

	Consolidated and Separate financial statements (Baht)	
	2016	2015
Bank overdrafts	16,029,695.99	4,983,581.04

As at December 31, 2016 and 2015, the Company has overdrafts line with banks amount of Baht 153 million (8 banks) and 133 million (6 banks) is charged interest at the rate of S/A + 1.5% per annum to MOR - 1% per annum.

Such debts are guaranteed by bank deposit (note 9), land and construction thereon (note 13).

17. CURRENT PORTION OF LONG-TERM LIABILITIES

	Consolidated and Separate financial statements (Baht)	
	2016	2015
Long-term loans	38,760,000.00	12,590,070.00
Financial lease liabilities	16,062,002.12	17,137,720.87
Total	54,822,002.12	29,727,790.87

18. SHORT-TERM LOANS

	Consolidated and Separate financial statements (Baht)	
	2016	2015
Persons	0.00	20,000,000.00

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As at December 31, 2015, the Company has outstanding short-term loans from a lender by discounting bills of exchange at the interest rate of 4.60% per annum.

19. LONG-TERM LOANS

	Consolidated and Separate financial statements (Baht)	
	2016	2015
Loans from bank	100,910,000.00	23,500,070.00
Less Current portion of long-term loans	(38,760,000.00)	(12,590,070.00)
Net	62,150,000.00	10,910,000.00

As at December 31, 2016 and 2015, the Company has long-term loans from bank as follows:

The loan agreement No. 1 :

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. Guaranteed by bank deposit (note 9), 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. 2 :

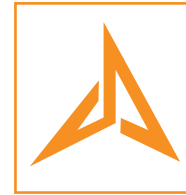
The Company has loan from the bank in amount of Baht 35 million in order to make payment for machineries acquired from oversea. The principal is repayable on a monthly basis in the amount of Baht 0.73 million, commenced in April 2014 and the payment will be completed in March 2018. The interest is payable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

The loan agreement No. 3 :

The Company has loan from the bank in amount of Baht 90 million with principal repayment on quarter basis of Baht 7.50 million each, and the quarterly interest payment at the rate of BIBOR (3 Months)+2% per annum, basis commencing in February 2017 and the payment will be completed in November 2019. Such loan has no any collaterals.

20. DEBENTURES

On September 11, 2015, the Company has issued and offer unsubordinated, unsecured and specific name of debentures for 150,000 units at par value of Baht 1,000 each, totaling Baht 150 million. Interest is paid four times a year at the rate of 4.60% per annum, the redemption is matured on September 12, 2018.

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21.1 Financial lease liabilities excluded futures interest are as follows :

	Consolidated and Separate financial statements (Baht)	
	2016	2015
Lease payable	5,639,309.74	11,463,821.01
Hire-purchase payable	22,034,881.74	33,372,166.06
Total	27,674,191.48	44,835,987.07
Less Current portion of long-term liabilities	(16,062,002.12)	(17,137,720.87)
Net	11,612,189.36	27,698,266.20

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

	Consolidated and Separate financial statements (Baht)	
	2016	2015
Machineries	71,268,526.31	87,738,925.25
Vehicles	4,954,968.65	4,954,968.65
Total	76,223,494.96	92,693,893.90

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

	Consolidated and Separate financial statements (Baht)	
	2016	2015
Within 1 year	17,426,956.13	19,621,748.68
Over 1 year not over 3 years	12,133,080.96	26,809,718.07
Over 3 years not over 5 years	0.00	2,750,319.86
Total	29,560,037.09	49,181,786.61
Less Future interest of financial lease	(1,885,845.61)	(4,345,799.54)
Present value of financial lease liabilities	27,674,191.48	44,835,987.07



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22. EMPLOYEE BENEFIT OBLIGATIONS

The Company and subsidiaries had employee benefit obligation based on the requirement of Thai Labour Protection Act B.E. 2541 to provide retirement benefits to employees based on pensionable remuneration and length of service, and long-term service awards.

The defined benefit plan expose the Company and subsidiaries to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Obligations in statement of financial position are as follows :

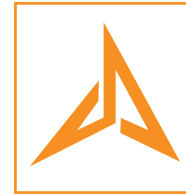
	Consolidated and Separate financial statements (Baht)	
	2016	2015
Present value of obligations	41,005,643.22	35,266,702.96

Movement in the present value of the employee benefit obligations

	Consolidated and Separate financial statements (Baht)	
	2016	2015
Beginning balance	35,266,702.96	30,863,644.00
Benefits paid	(310,000.00)	(138,000.00)
Current cost of service and interest	4,028,250.22	4,541,058.96
Actuarial losses on defined employee benefit obligations	2,020,690.04	0.00
Ending balance	41,005,643.22	35,266,702.96

Expenses recognized in profit or loss

	Consolidated and Separate financial statements (Baht)	
	2016	2015
Current cost of service	2,449,200.22	3,164,539.96
Interest on obligations	1,579,050.00	1,376,519.00
Total	4,028,250.22	4,541,058.96



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The Company and subsidiaries recognized expenses in the following items in the statement of income.

	Consolidated and Separate financial statements (Baht)	
	2016	2015
Cost of hire of work, sales of materials	1,586,192.94	0.00
Administrative expenses	863,007.28	3,164,539.96
Finance costs	1,579,050.00	1,376,519.00
Total	4,028,250.22	4,541,058.96

Principal actuarial assumptions at the reporting date (expressed as weighted averages) :

	Consolidated and Separate financial statements (Baht)	
	2016	2015
Discount rate	4.46	4.46
Future salary increase	5.00	5.00

Assumptions regarding future mortality are based on published statistics and Thailand Mortality Ordinary Life table 2008 ("TMO08").

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation. Management has assessed and deemed that such sensitivity have no material impacts on the financial statements of the Company and subsidiaries.

	Consolidated and Separate financial statements (Baht)	
	Increase	Decrease

Defined benefit obligations as at December 31, 2016

Discount rate (1% movement)	(3,875,816.00)	4,499,877.00
Future salary growth (1% movement)	4,387,335.00	(3,859,829.00)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumption shown.



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23. SHARE CAPITAL

23.1 According to the minutes of Annual General Shareholders' meeting for the year 2016 held on April 21, 2016 passed the resolution to decrease ordinary shares for 1,255 shares at par value of Baht 1 each, amounting to Baht 1,255.00 which are remained from the increased ordinary shares for reserve the share dividend in compliance with the resolution of the Annual General Meeting of the shareholders for the year 2015. The Company has registered the decrease share capital with the Ministry of Commerce on May 4, 2016.

The increase and decrease of share capital are as follow:

	Authorized share capital		Issued and paid-up share capital	
	Number of shares	Amount (Baht)	Number of shares	Amount (Baht)
Balance as at January 1, 2016	305,666,263	305,666,263.00	305,665,008	305,665,008.00
Decrease share capital	(1,255)	(1,255.00)	0	0.00
Balance as at December 31, 2016	305,665,008	305,665,008.00	305,665,008	305,665,008.00

23.2 According to the minutes of Annual General Shareholders' meeting No. 1/2015 held on April 21, 2015 passed the resolution as follows :

- 1) To decrease ordinary shares for 0.01 million shares at par value of Baht 1 each, total amounting to Baht 0.01 million which are unissued ordinary shares remained from share dividend appropriation in compliance with the resolution of shareholders' meeting No. 1/2014 held on April 17, 2014. The Company has registered the decrease share capital with the Ministry of Commerce on May 8, 2015.
- 2) To increase ordinary shares for 14.56 million shares at par value of Baht 1 each, total amounting to Baht 14.56 million in order to reserve share dividend payment to the shareholders at the rate of 20 existing shares for 1 share dividend. The Company has registered the increase share capital with the Ministry of Commerce on May 11, 2015. Subsequently, the Company has already paid such share dividend and registered the increase of paid-up share capital with the Ministry of Commerce on May 21, 2015.
- 3) To issue debt securities in the form of debentures with the total value not exceed Baht 800 million for the objective to use in business operations. The conditions and other regulations of debentures depends upon each debentures issuance.

24. 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.

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25. RETAINED EARNINGS APPROPRIATION

For the year 2016

1) According to the minutes of Annual General Meeting of shareholders for the year 2016 held on April 21, 2016, passed the resolution to pay dividend to the shareholders at Baht 0.25 per share for 305.66 million shares totally Baht 76.42 million in which the Company has paid interim dividend at Baht 0.10 share amounting to Baht 30.56 million, the the remaining to be paid at Baht 0.15 per share total amount of Baht 45.85 million. The dividend payment is made on May 15, 2016.

2) According to the minutes of Board of directors' meeting No. 3/2016 held on August 11, 2016, passed the resolution to pay interim dividend from the result of operation for the six months of 2016 to the shareholders at Baht 0.11 per share for 305.66 million, amounting to Baht 32.62 million. The Company has paid such dividend during the year.

For the year 2015

1) According to the minutes of shareholders' general meeting No. 1/2015 held on April 21, 2015, passed the resolution to pay dividend to the shareholders at Baht 0.34 per share for 291.11 million shares, totally Baht 98.98 million by dividing into

- cash dividend to the shareholders at Baht 0.29 per share, total amount of Baht 84.42 million which was paid interim dividend at Baht 0.14 per share, totally Baht 40.75 million, remains Baht 0.15 per share, amounting to Baht 43.67 million will be made in this dividend payment, and
- ordinary shares dividend to the existing shareholders at the ratio of 20 shares for 1 share dividend at par value of Baht 1 each, totally Baht 14.56 million.

The Company has already paid such dividend during the year.

2) According to the minutes of the Board of directors' meeting No. 3/2015 held on August 13, 2015, passed to pay interim dividend from the operating profit for the six months of 2015 to the shareholders at Baht 0.10 per share for 305.66 million shares, totally Baht 30.56 million. The Company has already paid dividend during the year.

26. INCOME TAX

26.1 The calculation of income taxes for the current period

The Company and subsidiary 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.

26.2 Income tax recognized in profit or loss

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Current income tax				
for the current year	34,693,661.25	42,815,072.69	33,200,829.23	38,326,137.55
Deferred tax on changes in temporary differences	(3,302,063.83)	(1,731,605.95)	(3,302,063.83)	(1,731,605.95)
Total	31,391,597.42	41,083,466.74	29,898,765.40	36,594,531.60



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26.3 Income tax expenses recognized in other comprehensive income for the year ended December 31, 2016 are as follows:

	Consolidated and Separate financial statements (Baht)		
	Before income tax	Income tax (expenses) income	Net of tax
Actuarial losses on defined benefits plan	2,020,690.04	(404,138.00)	1,616,552.04

26.4 Reconciliation for effective income tax rate

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Profit before income tax	186,568,610.56	192,969,299.01	187,906,815.40	183,900,900.78
Income tax rate (%)	20	21	20	20
Income tax	37,313,722.11	40,394,739.84	37,581,363.08	36,780,180.16
Prohibited taxable expenses	2,690,419.28	3,903,248.82	748,969.95	2,673,725.36
Additional taxable expenses	(8,612,543.97)	(3,214,521.92)	(8,431,567.63)	(2,859,373.92)
Total income tax	31,391,597.42	41,083,466.74	29,898,765.40	36,594,531.60
Effective income tax rate (%)	17	21	16	20

27. TRANSACTIONS WITH RELATED PARTIES

A portion of the Company and subsidiaries' 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	Estimated cost / Actual cost
Seafco Intertrade Co., Ltd.	Contractual construction work	Subsidiary	Borrowing Other income	At the interest rate of 4% per annum As agreed
Seafco (Myanmar) Co., Ltd.	Contractual construction work	Subsidiary	Other income-Sales of materials	Market value
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
E. D. E. Co., Ltd.	Hire of foundation pile testing	Shareholder of this company is near relative of the Company's shareholders.	Cost of facilities expenses Machinery rental Test of foundation pile Other expenses	Actual cost Less than market value Market value Actual cost
Altemtech Co., Ltd.	Contractual construction work	Subsidiary's shareholder and director	Contractor wage	As agreed
New Technology Engineering Construction Co., Ltd.	Contractual construction work	Subsidiary's shareholder and director	Services income Contractor wage	Actual cost As agreed
B Plus Service Co., Ltd.	Contractual construction work	Shareholder is near relative of the Company's shareholder	Filed site expenses and others	Market value

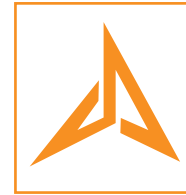


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27.2 Assets and liabilities transaction with related persons and parties consist of :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
<u>Trade and other receivables</u>				
Seafco Construction Co., Ltd.	0.00	0.00	0.00	357,950.18
Seafco (Myanmar) Co., Ltd.	0.00	0.00	501,610.71	0.00
New Technology Engineering Construction Co., Ltd.	28,373,608.25	28,373,608.25	14,062.50	14,062.50
Seafco Intertrade Co., Ltd.	0.00	0.00	0.00	361,999.05
Total	28,373,608.25	28,373,608.25	515,673.21	734,011.73
<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>Trade and other payables</u>				
S. T. P. Asset Co., Ltd.	879,164.88	640,235.64	879,164.88	640,235.64
E. D. E. Co., Ltd.	1,192,432.10	534,306.01	1,192,432.10	534,306.01
Altemtech Co., Ltd.	3,784,120.04	3,784,120.04	0.00	0.00
New Technology Engineering Construction Co., Ltd.	16,686,763.43	16,686,763.43	0.00	0.00
B Plus Service Co., Ltd.	1,009,114.33	0.00	1,009,114.33	0.00
Total	23,551,594.78	21,645,425.12	3,080,711.31	1,174,541.65



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	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
<u>Retentions payable - contractor</u>				
Altentech Co., Ltd.	1,798,319.45	1,798,319.45	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	15,357,849.30	997.50	997.50

Short-term loans

For the year 2017, increase and decrease in loans from Seafco Intertrade Co., Ltd. amount of Baht 8 million and for the year 2015 loans from S. T. P. Asset Co., Ltd. amount of Baht 15 million are as follows:

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Beginning balance	0.00	15,000,000.00	0.00	15,000,000.00
Additional loans during the year	0.00	0.00	8,000,000.00	0.00
Repayment during the year	0.00	(15,000,000.00)	(8,000,000.00)	(15,000,000.00)
Ending balance	0.00	0.00	0.00	0.00

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

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
<u>Other income</u>				
Seafco Intertrade Co., Ltd.	0.00	0.00	360,000.00	360,000.00
Seafco (Myanmar) Co., Ltd.	0.00	0.00	501,610.71	0.00
	0.00	0.00	861,610.71	360,000.00

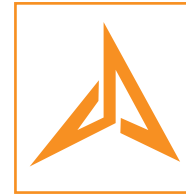


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	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
<u>Cost of hire of work</u>				
1) Facilities expenses				
S. T. P. Asset Co., Ltd.	6,776,614.87	3,964,352.00	6,776,614.87	3,964,352.00
E. D. E. Co., Ltd.	783,068.35	610,574.93	783,068.35	610,574.93
2) Machinery rental				
S. T. P. Asset Co., Ltd.	1,511,000.00	1,349,500.00	1,511,000.00	1,349,500.00
E. D. E. Co., Ltd.	1,154,265.74	0.00	1,154,265.74	0.00
3) Test of foundation pile				
E. D. E. Co., Ltd.	4,174,600.00	3,828,300.00	4,174,600.00	3,828,300.00
4) Goods acquisition expenses				
E. D. E. Co., Ltd.	0.00	556,400.00	0.00	0.00
B Plus Service Co., Ltd.	23,739,021.90	0.00	23,739,021.90	0.00
Total	38,138,570.86	10,309,126.93	38,138,570.86	9,752,726.93

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
<u>Administrative expenses</u>				
S. T. P. Asset Co., Ltd.	2,204,682.69	168,224.28	2,204,682.69	168,224.28
E. D. E. Co., Ltd.	1,683,741.19	1,372,710.24	1,683,741.19	1,372,710.24
Total	3,888,423.88	1,540,934.52	3,888,423.88	1,540,934.52



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	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
<u>Finance costs</u>				
Seafco Intertrade Co., Ltd.	0.00	0.00	61,369.84	0.00
S. T. P. Asset Co., Ltd.	0.00	447,123.30	0.00	447,123.30
Altentech Co., Ltd.	0.00	69,349.32	0.00	0.00
New Technology Engineering				
Construction Co., Ltd.	0.00	69,349.32	0.00	0.00
Total	0.00	585,821.94	61,369.84	447,123.30

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)	
	2016	2015	2016	2015
Work performed by the entity and				
capitalized	(8,285,144.55)	(21,512,670.28)	(8,285,144.55)	(21,512,670.28)
Raw materials and consumable used	839,385,211.10	876,476,483.59	838,210,499.11	849,156,058.45
Contractor wage	56,438,419.58	78,360,875.81	51,532,572.18	43,757,646.37
Employees benefit expenses	292,303,860.38	272,805,722.07	287,069,369.63	268,224,510.59
Depreciation	107,075,897.34	92,120,516.57	105,106,926.33	90,819,086.39
Directors' remuneration	3,205,000.00	2,785,000.00	3,205,000.00	2,785,000.00
Management benefit expenses	33,562,249.97	36,800,880.00	33,562,249.97	36,800,880.00

**SEAFCO**THE FOUNDATION
OF SUCCESS**31. OPERATING SEGMENT**

31.1 Operating segment information is reported in a manner consistent with the internal reports of the Company and subsidiaries 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 and subsidiaries has been identified as the President of executive directors.

31.2 The Company and subsidiaries' 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)	
	2016	2015
Foundation and wall works income	1,852.38	1,792.25
General public works income	9.51	60.17

31.4 The Company and subsidiaries recognized revenues from hire of works (exceed 10% of total revenues) for the year ended December 31, 2016 and 2015 total amount of Baht 389.01 million (2 majority) and Baht 394.02 million (2 majority) which received majority customers respectively.

32. DISCLOSURE AND PRESENTATION OF FINANCIAL INSTRUMENTS

The Company and subsidiaries 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

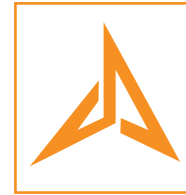
Credit risk derives from failure by counterparties to discharge their obligations resulting in financial loss to the Company and subsidiaries. The Company and subsidiaries have policy to hedge this credit risk by reviewing the financial status of customers for billed before operation and billed on the 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 and subsidiaries operations and cash flows. The Company and subsidiaries exposed the interest rate risk due to its bank overdrafts and short-term loans from financial institution, short-term loans, debentures, long-term loans and financial lease liabilities. The Company and subsidiaries do not use derivative financial instruments to hedge such risk.

32.4 Exchanges rate risk

The Company and subsidiaries have a risk from foreign currencies exchange rate since the Company and subsidiaries have account payable denominated in foreign currencies without entering into exchange rate hedging agreement, as at December 31, 2016 and 2015, the Company and subsidiaries have remaining accounts payable in foreign currencies as follows:



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	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Foreign currencies				
US Dollar	15,200.00	5,335.00	15,200.00	0.00
Euro	0.00	15,350.00	0.00	15,350.00
SG Dollar	10,473.34	0.00	10,473.34	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 other 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, debentures 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, 2016 and 2015 are as following :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Cost of construction adjusted by				
gain or loss	617,323,873.02	902,205,684.74	605,735,945.12	902,205,684.74
Advance received	13,504,422.05	52,977,524.55	13,504,422.05	52,977,524.58
Retention as deduction	12,800,290.48	33,871,897.43	12,596,146.92	33,871,897.43
Amount of claim from employer	175,398,291.59	90,012,368.01	173,864,083.68	90,012,368.01
Amount of claim from the Company	10,780,240.45	0.00	1,835,957.08	0.00



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34. COMMITMENT AND CONTINGENT LIABILITIES

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

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
US Dollar	146.00	1,360,036.00	146.00	1,360,036.00
Pound Sterling	8,975.00	3,232.00	8,975.00	3,232.00
Yen	0.00	115,500,000.00	0.00	115,500,000.00
SG Dollar	37,414.57	42,089.85	37,414.67	42,089.85
AU Dollar	0.00	8,280.00	0.00	8,280.00
Baht	116,633,444.96	72,895,034.35	116,633,444.96	72,895,034.35

34.2 The Company and subsidiaries have contingent liabilities from bank issuance of letters of guarantee in favour of the Company and subsidiaries to some customers in accordance with the hire of work contracts, goods seller and others as at December 31, 2016 and 2015 amounting to approximately Baht 208.06 million and Baht 334.03 million in the consolidated financial statements, and Baht 205.79 million and Baht 316.69 million in the separate financial statements respectively. Such letter of guarantee is guaranteed by bank deposit (note 9), land with its construction (note 13) and transfer the receipt of payment rights under the hire of work contracts of various customers.

34.3 As at December 31, 2016 and 2015, 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 166.34 million and Baht 167.32 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 PROGESIVE 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 2016 and 2015, the Company has contribution to be paid to the fund for the amount of Baht 3.60 million and Baht 2.80 million 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. 1/2017 held on February 27, 2017, passed the resolution to propose for the approval to the shareholders' general meeting to pay cash dividend to shareholders at Baht 0.26 pershare in which the Company has paid interim dividend at Baht 0.11 per share, therefore, the dividend is additionally paid for another Baht 0.15 per share amounting to Baht 305.66 million shares, total amount of Baht 45.85 million.

40. FINANCIAL STATEMENTS APPROVAL

These financial statements were authorized for issue by the Company's Board of directors on February 27, 2017.

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.

The company still believes that human resource is the key component of the society. The better society is dependent on developed human resource and the developed human resource is those with spiritual development in accordance with the religious teachings. That is the main emphasis of the company.

2. Business operation and report preparation

Social responsibilities are conducted in the following aspects

1. Good governance. As discussed in the section on corporate governance .

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:

2.1 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 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.
- (4) To conduct the business transparently and accountably for any procurement with price check against 2-3 suppliers and without gift, item, reward or award accepted with tendency towards bribery to ensure fair and transparent practice.
- (5) To distribute or inform the knowledge from the company to the other entities through distribution of rules, regulations, requirements and procedures on business contacts so the suppliers or contractors have understood and are able to correctly comply and to practice and coordinate correctly and rapidly to ensure time and cost savings and satisfaction and efficiency.

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.

2.4 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.

3. Anticorruption

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

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.

- 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.
- 4.2 Employees are an important factor contributing to quality work. The Company, therefore treats the employee with equality in terms of opportunities and benets, promotion and employee development for the employees to become professional and good citizens.



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4.3 The Company aware of human rights and will not violate basic rights on races, sex, children, disability and etc.

In 2016 the company has participated in the project on Children's Rights and Business Principles – CRBP in the second phase prepared by Thai Pat Institute and Rural Rehabilitation Foundation of Thailand under the Royal Patronage and in 2017 the company has sent a letter asking for cooperation on compliance with labor and anti-human trafficking laws to the trading partners and stakeholders of the company to confirm and certify that the labor and anti-human trafficking laws will be complied.

5. Fair labor practice

5.1 Proper welfare for the employees and officers such as annual bonus, provident fund, funeral assistance, marital assistance, employee camp and rooms for engineers, secretary and foreman, transport vehicle for employees and workers, free uniform, annual medical examination, oversea workshop and trip, New Year party, entertainment party in accordance with the tradition, birthday party for the employees every month, nursing room, entertainment room, rented footsot court, cheap lunch for the employees and cafeteria in the company, snack for every Friday morning by the executives and tness room to be built in the future will help the employees to save their incomes, reduce their expenses and provide morale support to the employee during their hard time and retirement age, happiness from activities arranged, prevention and promotion of health of the employees and coordination and harmony among the employees.

5.2 Supports arranged for employees to develop their knowledge and competence are as follows.

5.2.1 Newly recruited employees will be provided with an orientation to ensure understanding in the policy, mission, vision and objectives of the organization and it is arranged for development of new employees who are newly employed or have no experience in the job assigned so they will be able to perform their job properly and correctly in accordance with the procedures of the working system and to comply with rules, regulations and requirements and to understand their rights and duties as a member of the company.

5.2.2 Arrangement of in-house training courses such as training course for technician employees on use of crane and repair and maintenance so the employees assigned to perform such work related to the crane will be trained in the course required by the laws and compliance with the ministerial rule by the employer on management and operation standard on occupational safety and working environment related to machines and cranes and to reduce repair and maintenance cost and to increase efficiency.

5.2.3 Employees and staffs of the company are sent to attend the training arranged by the external agencies for competence related to each work to develop their knowledge, competence and skill for application with their job efficiently and effectively.

5.2.4 Activities on enhancement of relationship in the organization arranged to promote the relationship and coordination in the company and cooperation on various activities and adjustment of action of the employees in each division the work together

- 5.3 Medical examination and vaccination are arranged for the employees to ensure their quality of life as the medical examination will provide the employees an opportunity to learn of their sickness and to prevent the contagious disease such as influenza.
- 5.4 Safe workplace is arranged to ensure safety in life and property of the workers.
- 5.4.1 Five 5S activities arranged in the company to ensure resolution, convenience, cleanliness, sanitation and proper behavior which will help create a proper working environment and lead to more efficiency, safety, occupational health and better family life.
 - 5.4.2 Regular inspection of equipment to ensure its function because there are equipment and machines disused for the work almost everyday so the equipment may be defective or broken. It is necessary to check the condition of the equipment regularly to ensure its function and to prevent any casualty to incur with the employees and to ensure confidence among users that the equipment is in good condition and ready for its function. There will be no accident and casualty and pollution to the nearby community and agencies.
 - 5.4.3 Specific working area indicated because the internal environment is the key factor facilitating the operation. If the internal environment of the unit is good, the organization will perform the quality work. Therefore the units and personnel should work together to create and develop the internal environment of the company suitable to the working condition. The specific working area will reduce the accident rate, damage and expenses due to the accident and to enhance more efficiency, space and exhibit for the work to be performed with smooth operation without suspension or delay, to ensure confidence in the work for internal personnel and safety in the working area and impression of visitors coming for a meeting with the executives or contact or coordination and to enhance the corporate image.
 - 5.4.4 Morning Talk activity arranged in the morning session before the work is started and security guards are arranged to station at the working units. Such arrangement has reduced the accident and severity of the accident and the workers are able to understand the work better because the morning talk activity is arranged and the security guards are assigned to make the supervision. As a result the working place is safer and it has indirectly improve the image of the company.
 - 5.4.5 Arrangement of training on prevention and suppression of fire and fire extinguishing tanks at the risky spots in the company as a careful practice on prevention and suppression of fire prior to fire casualty
 - 5.4.6 Installation of closed-circuit television and sufficient lighting system (spotlight) and night patrol by the security guards to prevent undesirable incident.
- 5.5 Development of environment in the company to ensure suitability with the working conditions
- 5.5.1 Arrangement of documentation system to reduce garbage because the business is required to reduce the environmental impacts and to preserve the natural resources. Thus the executives have employed the documentation system with garbage reduction purpose and adjusted the working system to ensure modernization through scanning files into the computer



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system or online folders instead of paper le documentation, reuse or recycle of paper instead of new paper. Such practice above has reduced the garbage, conserve the energy and preserve the environment, reduce the time to separate garbage and has facilitated the storage and search method. Besides the documents or supporting documents could be backtracked conveniently, rapidly and correctly. Therefore the documents are managed efficiently with rapid service if there is any request for the documents. Moreover, there is a system that could print the documents through the printer immediately so the information is safe and not lost and the employees could handle the paper work rapidly and accurately while there is no need to buy more le cabinet and printer ink and the storage space is reduced with no redundancy of retention.

- 5.5.2 Modernization of communication to ensure development of communication when there is a need for coordination or urgent delivery of documents to the agencies in and outside the organization through e-mail contact or delivery of documents through the internet, etc., instead of delivery of documents through facsimile. Therefore it is more convenience and faster for the work performed so the work is completed before the schedule.
- 5.5.3 Clear determination of duty and responsibility within the unit suitable to the personnel and within the unit will encourage learning of the work and duty of other functions within the division to ensure self-training and self-development to facilitate replacement and to reduce damage and expenses due to suspension or delay in the operation.
- 5.5.4 Proper nancial efficiency will facilitate the disbursement so the unit is required to be proper nancial efficient while the management will set up the advance for urgent disbursement to prevent slow payment and to impress the external entities and to maintain the long-term relationship and to reduce the opportunity cost due to the late payment compared with the other companies.

6. Responsibility for consumers

- 6.1 To ensure satisfaction of the customers in the services and quality such as
 - 6.1.1 To compute the design as a construction option for the customer, to save the construction expenses, to ensure strength and stability of the construction because the underground structure design is complicated and sometimes the design used in the bidding is inappropriate such as the unsafe design or the design with possible problem in the future. The computation of the alternative design will reduce the construction cost with the same safety standard and technical suitability and that will save the expenses of the customers and the company (Seafco) and will ensure trust from the customers.
 - 6.1.2 The construction work is conducted in accordance with the design and time schedule and scope of the project construction to maintain condence of the customers through employment of piling technology and other working techniques with the timeframe provided while the quality of the piles and protection wall are proper so there is no repair for the piles and that has made a reliable relationship for a call for a construction services of the company in the future.

- 6.2 Control and inspection of production standard to maintain the quality of the piling work through employment of temporary steel sleeve with lowest deviation as much as possible, use of liquid substance to support the drilled hole to maintain the standard of the piling work, use of steel structure which has been inspected on quality in accordance with the design and use of steel bars in accordance with the industrial product standards, use of concrete cement with strength in accordance with the project standard, including control of concrete cement owing at the level satisfied the concrete cement level in the project contract. That will ensure the satisfaction of the customers in the quality of the work because the correction of the work is maintained at the lowest level and the construction could continue without any disruption to the construction plan.
- 6.3 Information technology is employed to improve the quality of the work, Pile Data program is used to reduce time and quantity of the paper work, including program on computation of steel bars to reduce the number of steel bars beyond BOQ, Survey Graph program to prepare the casting work. That has helped reduction of the document work and redundancy and time spent in the paper work while the quality of the work is improved for the project.
- 6.4 Visiting customers/entities are facilitated and welcomed with the meeting with the executives through preparation of the premise before the meeting with the executives to enhance the corporate image with proper beverage as needed and suggestions or information that could be disclosed in the company and polite communication for better impression and attitude towards the company, long lasting relationship and easier coordination.
- 6.5 Supports of quick procurement of merchandises, supplies, equipment, etc. with quality in accordance with the requirements so the working units could perform their work rapidly and smoothly with reliable outcome in a timely manner without defect to ensure satisfaction of the customers so the work is completed within the contract term and has satisfied the requirements and the customers.
- 6.6 Control and inspection of production standards through procurement of merchandises, supplies and equipment in accordance with the requirements or with certification such as Mor Or Kor, certificate from the reliable and acceptable manufacturer or the government agency which could be verified and accountable.

7. Community and social 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

- 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.



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- 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.
- 7.7 The construction work undertaken by the company is made with consideration on the impacts towards the community/local people within the scope as follows.
- 7.7.1 Measures are arranged to reduce the impact from construction of underground floor against nearby structure and to measure and inspect the work as the construction of underground floor will cause earth movement. If the design is inappropriate, the nearby structure will be damaged. The result is to control and reduce the impact from construction of underground floor against nearby structure and to reduce the dispute during the construction between the main contractor/employer and the neighboring residents and to lower the repair cost spent to repair the nearby construction.
- 7.7.2 The work is undertaken within the timeframe specified by the laws and the ministerial rules to reduce the problems in the nearby community and local people.
- 7.7.3 Use of double casing to reduce the shaking time and disturbing noise towards nearby residence and to inspection of neighboring residence before the work is started because the neighboring residence may not understand the working concept. Therefore, they are needed to be informed of the construction process and the piling work to reduce the complaints. Besides after the construction work, they will be examined again to compare with that before the construction work.
- 7.7.4 The protection guard is employed with the machine which makes noise such as Power pack of the drilling crane and construction of earth protection wall because during the drilling work to prepare the earth protection wall, the power pack cabinet will make noise so the protection guard will be employed to reduce the noise which will disturb neighboring residence and to reduce the complaints.
- 7.7.5 Use of modern machines with consistent maintenance to reduce air pollution and smell from the working unit and to reduce the construction time.
- 7.7.6 Temporary fence made to prevent ying materials or supplies from damaging nearby residence and to block the view of the machine during the operation and to comply with the requirements and ministerial rules and the environmental requirements.
- 7.7.7 Care provided to look after neighboring residence which is affected and in need of slight repair due to the construction and the piling work. The repair work for neighboring residence due to the construction will reduce the dispute incurred with nearby residents.

7.7.8 Cleaning the road in front of the project the remove the dust even though there is a machine to wash the vehicle wheels moving out of the working units, the road in front of the project may have some dirt carried from the wheels so the weekly cleaning of the road will consistently keep the road in front of the project clean.

7.8 Employment of local people If the job applicants have the same capability, employ the local people first so they have a chance to obtain a job. That is the community development and improvement to the local economy and to cut down the travelling time of the employees. Thus they have more earnings and savings. It is beneficial to the company as well because they could come to work early and there is no offence against rules and regulations as they will come to work early, not late or offending the rules and regulations. The community will be well off because local people have more income and not involved with illegal offence such as theft.

7.9 Employment of the disabled to provide them with an opportunity to get a job so they will be aware of their value. That is a support to the less privileged in the community and nearby society. Besides the company is able to directly help the disabled which is legal to employ the disabled in accordance with the requirement. If any company has not employed the disabled, it is required to make a contribution to the Fund for Promotion and Development of Living Quality of the Disabled instead.

8. Environmental responsibility

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

- 8.1 Comply with law and regulation and occupational safety and environment.
- 8.2 Utilize natural resources effectively and efficiently. Initiate energy saving measure and promote reuse procedure.
- 8.3 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.
- 8.4 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.
- 8.5 Disclose information on relationship between business operation and occupational safety and environment.
- 8.6 Cleaning the road in front of the project the remove the dust even though there is a machine to wash the vehicle wheels moving out of the working units, the road in front of the project may have some dirt carried from the wheels so the weekly cleaning of the road will consistently keep the road in front of the project clean.
- 8.7 Removal of wastes and garbage in accordance with the requirements of the Factory Department to reduce the environmental problem and trouble with the community due to water pollution. Moreover, it is a means to keep the factory clean and in order in accordance with the standards of the Factory Department so it livable and clean and safe for the work as the floor is clean. Accident will be lower and that is the moral support provided to the workers.



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9. Innovation and distribution of innovation

9.1 To provide information and knowledge from the company to the other entities.

9.1.1 To provide an opportunity to the students interested in the construction work to pay a visit to understand to working concept of the piling system and the earth protection wall correctly.

9.1.2 Students are accepted as a trainee to undertake the work in the units so they will learn and understand the working system and will have an opportunity to become an employee of the company in the future.

9.1.3 Information provided to various entities through the lecturers invited to share the idea and concept through public relations media and installation of a booth to provide information to students from various institutes such as knowledge and experience in piling work and construction of earth protection wall to ensure understanding and to widely provide the fact and correct information by those with experience in this business over 40 years and innovation which is benecial to the public.

9.1.4 Collection and analysis of geological engineering information and article or technical journals are prepared to provide a guideline to the construction work efciently and will be the database for the newly employed engineers of the company and the related persons in the future.

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. Religious supports are as follows.

1.1 Arrangement of the training on ethics by the Willpower Institute as the executives have paid attention to morals and ethics and would like the other people to practice Dhamma but have no time or not convenient to make religious practice in the temple because of their business. Therefore the premise is arranged for concentration training, study of ethics for regular practice and Dhamma practice at Willpower Institute, Branch 47, Seafco Plc., with training course on “Concentration teacher” for all interested people and employees so those trained will have more concentration and better attitude to make a better relationship among those participating in the training course and between individual and the institutes. Besides they will be honest and hold on the ethics in the business conduct.

1.2 Participation in religious ceremony as the Buddhist holidays always involve with merit making such as Krathin ceremony or offering to repair and rehabilitate the temple which is in need of financial assistance. That will help develop the religious premise and to facilitate local community to make religious practice or learn Dhamma in the long run.

1.3 Arrangement of religious activities or merit during the traditional period or the religious holidays in the organization with participation from personnel in the company.

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.

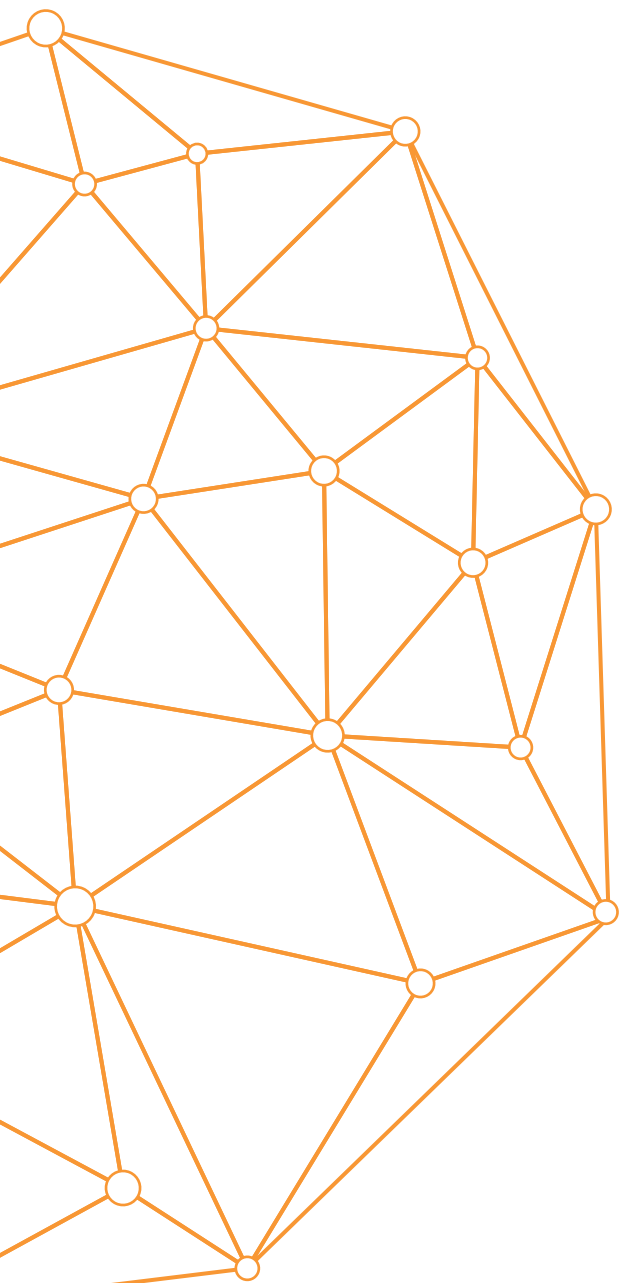
3. Financial assistance to arrange activities during special occasion as there are several agencies involving with the community activities of the special occasion but there is no budget to arrange the activities. That is the moral support to the local community and to build the public image of the company and the relationship in the long run.

4. The White Factory Project to control expansion and to reduce spread of narcotic drugs is arranged to keep the workers aware of drugs with judgment to keep themselves distance from narcotic drugs strictly. Therefore they will resist and have skill to avoid drugs. That is the way to control spread of narcotic drugs into the factory to ensure health of the employees and their efficiency. Finally the company will be free of narcotic drugs, intoxicated items, cigarettes and evil items as the employees of the company are encouraged to stay away from such intoxicated items. That will keep people in the company and the surrounding community safe as well.



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