



40th Seafco Public Company Limited ANNUAL REPORT 2019



ESG100
Environmental • Social • Governance

2019



SEAFCO

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OF **SUCCESS**



MR. SUPOT THASNANIPAN
FOUNDER





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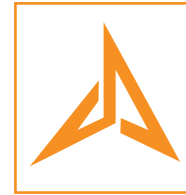
Message from the Chairman of the board



In 2019 the construction sector grew not very high due to waiting for clarity of the policy of the new government in the second half of the year, and the passing of the draft annual fiscal year of the government. However, in the next three years are expected that several projects of the public sector are ready and approved by the cabinet can jump start the investment in construction first. In the private sector, in 2019 the employment growth grew slowly due to the result from the economic slowdown, including the guidance on the supervisory criteria for the new residential loans are more stringent.

Although the construction business seemed not so good, the company still made continuous profit due to the cooperation by all sides provided the support. So, as the chairman I have to thank the employers, the benefactors and all the employees, who paid attention to working, included the supportive shareholders, financial institutions and all the trade creditors who trusted the company all along.

Assoc.Prof.Dr.Somjai Phagaphasvivat
Board Chairman

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Message from President and Chief Executive Officer towards the business operations with sustainable development



In the past- year operations the company gave priority on the business with sustainable development by the management covering the three dimensions; social, environmental and economic dimensions, under the good governance principles in tandem with building good relations with the stakeholders. The company adhered to as the principle on doing business that had sustainable growth.

That said, the social dimension in the organization is determined to promote the management along the sufficient economics in line with that of the country 9th reign. They had sufficiency, savings, and creation of precepts, meditation and wisdom. We applied the course of meditation of the Will Power Institute of Luang Phoh wiriyang Sirinatharo, that I am a director of such the foundation to the management and the employees in the office for all and in the field unit partially. I have taken the full six-month course (Meditation course for trainer) each year held two classes over the seven-year period already. At present I have expanded the graduates of the meditation master course to do short meditation (how to meditation) continuously every day, three times a day (in the morning before working, at noon before the lunch break and in the afternoon before returning home) to promote generation of wisdom continuously. On the social side, the company also allowed the outsiders to be trained in the meditation master course after getting off work (18.00 – 20.30 hours) jointly with the new employees. It included the social activities with the temple, school and the governmental agencies around the company regularly.

Environmental dimension the company has determined in multiple years to build bored piles and embankments that are friendly to the environment more than before. In the past years the company has used innovations in developing the method of construction of the bored pile not using a vibrator in pressing down the temporary steel casing, so reducing the working vibrations by more than 75%. Moreover, such the innovation has received an outstanding innovation reward from the Stock Exchange of Thailand (SET). Furthermore, the company applied to use the quality standard ISO 9001, version 2015, which has passed the inspection stage already, and shall be granted the certificate in 2020. In the economic dimension, the company has taken care of the interest of the stakeholders at all levels by the good governance and complied with the ethics of the company, and it has a policy of paying dividends in each quarter starting 2019.

In the management that aims for sustainable development to make the management and the employees of all levels to exercise their capabilities fully to deliver the jobs as much as 3,032 million Baht (Included the jobs at the subsidiary name Seafco Myanmar Ltd. at Myanmar for 111 million Baht already). It was more than 2018 that delivered 2,765 million Baht, so the company made the net profit in 2019 reached 411 million Baht, and the undelivered jobs over 2,000 million Baht.

In 2020 there is a trend that the company shall have new jobs and undelivered jobs throughout the year to be combined at the level of more than 3,000 million Baht. Moreover, in 2019 was the year with an election to create confidence to the foreign investors to invest more in the country. As a result, I am confident that the operating results will be better than 2019, and the company set up a budget to buy additional machines for 150 million Baht to accomplish more job deliveries meeting the targets.

The company would like to thank the employees, the management, trade partners, financial institutions and all sides who dedicated to support the company all along.

Dr. Narong Thasanipan
President and Chief Executive Officer



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FINANCIAL HIGHLIGHTS

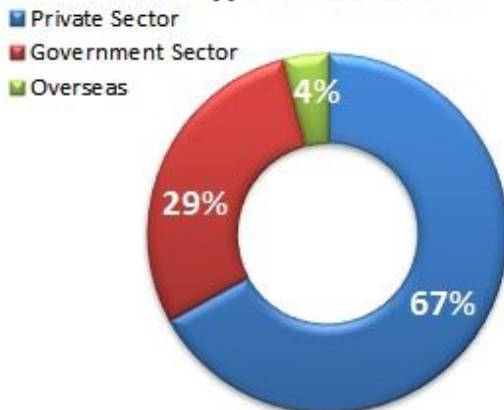
		2019	2018	2017
Operating results	Million Baht			
Total Revenue		3,032	2,765	1,874
Income from hire work		3,029	2,752	1,818
Gross Profit		645	624	337
Profit from continuing operations		411	352	211
Total comprehensive income for the year (Owners of the Company)		409	368	210
Financial position	Million Baht			
Total assets		3,167	2,993	2,466
Total liabilities		1,530	1,586	1,270
Shareholders' Equity		1,637	1,407	1,196
Financial Ratio				
Debt Ratio	Time	0.94	1.13	1.06
Gross Margin	(%)	21	22	18
Net (Loss)profit margin	(%)	13	13	12
Return on Assets	(%)	15	14	8
Return on Equity	(%)	25	25	18
Net Gearing		0.41	0.22	0.19
Earnings per share	Baht	0.55	0.50	0.35
Book value per share	Baht	2.21	2.09	1.96
Dividend per share	Baht / share	0.26	0.31	0.175



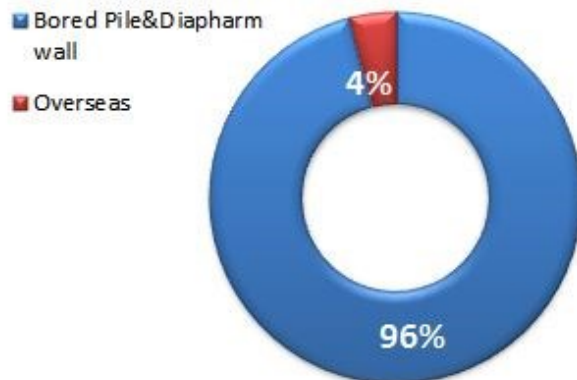
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Revenue Structure by Type of Customers



Revenue Structure by Type of Works



Increase in
Total Revenue
2019
MB 3,031.74
2018
MB 2,765.20

Increase in
Gross profit
2019
MB 644.82
2018
MB 624.77

Increase in
Net profit
2019
MB 409.51
2018
MB 368.21

Increase in
Book Value Per share
2019
2.21
share = 739.71
2018
2.09
share = 672.46



CG Ranking by Thai Institute of Director (IOD) 2019 : **Excellent**



SET Awards 2019

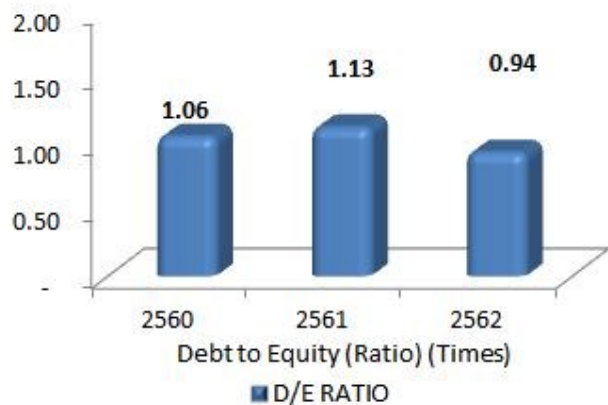
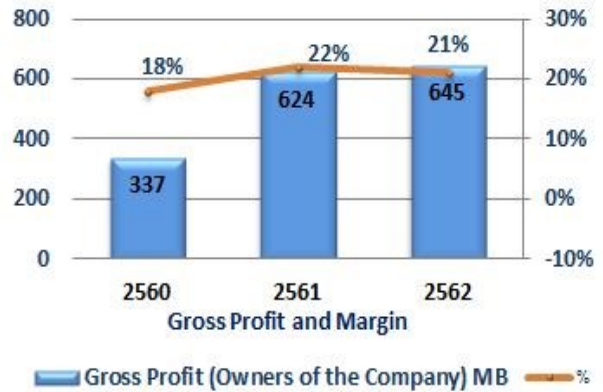
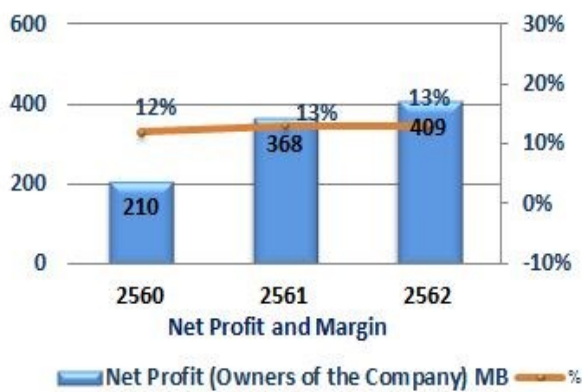
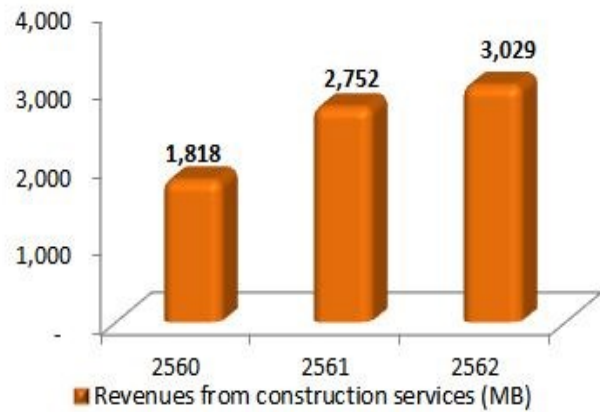
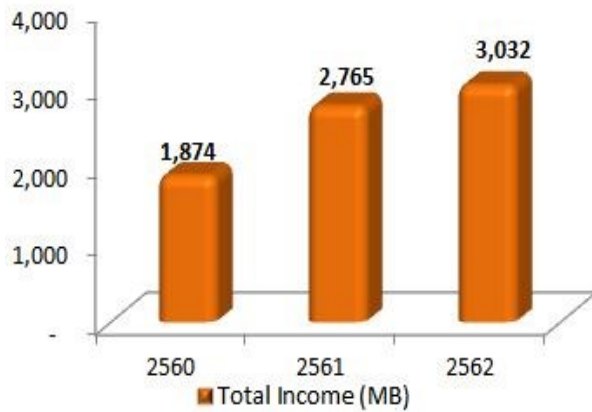


ESG100 2019 by Thaipat



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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 : 0107547000257
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 : (662) 009-9000
Facsimile : (662) 009-9991

External Auditor

Name of Auditor : Mr. Tanakorn Fakfaipol Certified Public Accountant 4879
Audit Firm : Bunchikij COMPANY LIMITED.
Head Office Address : 87 Modern Town Building (9th floor) Ekamai Soi 3,
Sukhumvit 63, Wattana, Bangkok 10110
Telephone : (662) 382-0414
Facsimile : (662) 381-5849



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● Board of Directors ●



Assoc Prof Dr. Somjai Phagaphavivat
Chairman
Independent Director



Dr. Narong 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



Mr. Apai Chandanachulaka
Independent Director



Mr. Zaw Zaw Aye
Director



Miss Nutthawan Thasnanipan
Director



Mr. Padej Rujikhajorndej
Director



Mr. Kamol Singtogaw
Director



Mr. Nutthapan Thasnanipan
Director



Mr. Nutthapon Thasnanipan
Director



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



Mr. Nutthapan Thananipan
Executive Vice President
: IT



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● Board of Executive officer (continue) ●



Mr. Nutthapon Thasnanipan
Executive Vice President
: Engineering



Mr. Nirandom Akrapitak
Executive Vice President
: President Office



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

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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● 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 45 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.

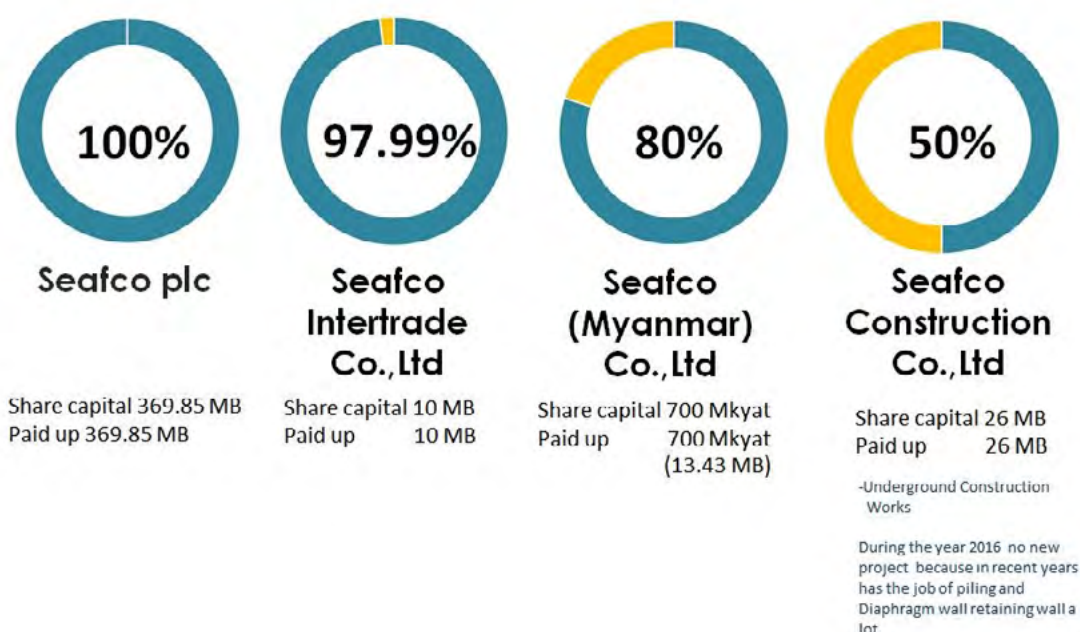
The revenue source of the company in the year 2019 had total revenue of 3,031.74 million Baht coming from the government sector for 29 percent and private sector for 67 percent and overseas-private sector for 4 percent. In the past year, the company has 2 customers with a proportion that exceeds 25 percent of the company's total revenue which the company accepts work from entering bidding by conducting normal transactions.

On 2 May 2019, the remaining registered capital was reduced from the allocation of the newly issued ordinary shares to support the payment of shares having dividend, according to the resolution of 2018 Annual General Meeting of Shareholders, for 590 shares, from the registered capital of 672,463,018 shares to the new registered capital of 672,462,428 shares, with the value of 0.50 Baht per share to the registered capital of 336,231,214 Baht.

On 8 May 2019, the registered capital was increased to support the shares having dividend, there is the registered capital of 739,708,672 shares, at the price of 0.50 Baht per share, with a total registered capital of 369,854,336 Baht

On 24 May 2019, the company submitted the paid-up capital from shares having dividend allocation, to be paid up capital of 739,707,908 shares at 0.50 Baht per share, totaling 369,853,954 Baht in paid-up capital.

SEAFCO Public Company Limited group consist of:



Company Name	Shareholding	Business / Auction
1. Seafco Construction Co.,Ltd.	The Company holds 50 percent of registered and paid up share capital amounted to 26 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. Seafco Intertrade Co.,Ltd.	The Company holds 97.996 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
3. Seafco (Myanmar) Co.,Ltd.	The Company holds 80 percent of 700,000,000 Kyat registered share capital (MB 13.43)	The company has a policy to contractual work for bored pile and Diaphragm Wall construction in Myanmar

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.

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.

On 4 April 2017, Seafco Myanmar Co., Ltd. increased registered capital from 300,000,000 kyat to be 700,000,000 kyat. Seafco Intertrade Co., Ltd. held shares in proportion of 80 percent.

On 10 April 2017, Seafco Intertrade Co., Ltd. invested in Seafco Myanmar Co., Ltd. additionally, the total investment amount was 8,560,290.50 Baht, holding shares in the proportion of 80 percent.

On 22 May 2017, Seafco Public Co., Ltd. sold some part of investment amount in Seafco Intertrade Co., Ltd. Therefore, the company held shares in the proportion of 97.996 percent, the total investment amount was 9,799,400 Baht.

On 31 August 2017, Seafco Intertrade Co., Ltd. invested in Seafco Myanmar Co., Ltd. additionally; the total investment amount was 13,432,682.00 Baht; the Seafco Intertrade Co., Ltd. held shares in the proportion of 80 percent.

On 12 October 2017, the company registered the change of share value from 1.00 Baht/share to 0.50 Baht/share. The registered share capital was changed to 611,330,016 shares, par value of 0.50 Baht each, to be registered share capital of 305,665,008 Baht.

On 18 October 2017, the company registered the cancellation of Joint Venture and liquidated of Srinakharin Joint Venture and Seafco and Prayoonchai (1984) Joint Venture.

On 24 October 2017, Seafco Construction Co., Ltd. increased registered share capital from 10,000,000 Baht to 26,000,000 Baht. Seafco Public Co., Ltd. held shares in the proportion of 50 percent, total investment was 13,000,000 Baht.

On 31 May 2018, the company increase in the registered capital of the company to facilitate the dividend payment from 611,330,016 share to 672,462,018 share, par value of 0.50 baht each, to be registered share capital of 336,231,509 baht.



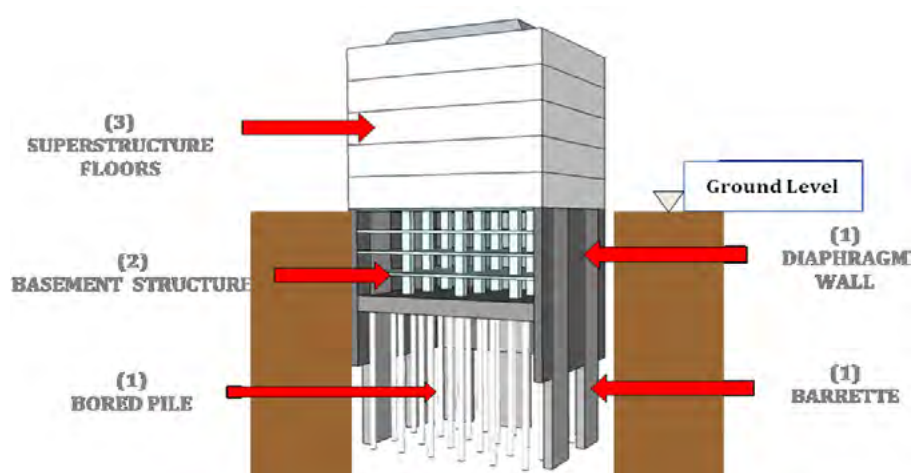
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● Nature of Business ●

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
- Various Testing Service



1. Revenue Structure of the Group by Line of Business

	Line of Business					
	2019		2018		2017	
	MB	%	MB	%	MB	%
Bored Piling and Diaphragm Wall Construction Revenue (Labor Only)	1,141	38%	1,174	43%	700	38%
Bored Piling and Diaphragm Wall Construction Revenue (Labor and Material)	1,773	58%	1,420	51%	1,063	58%
Total Bored Piling and Diaphragm Wall Construction	2,914	96%	2,594	94%	1,763	97%
Overseas	111	4%	164	6%	48.01	3%
Other	7	-	7	-	7.04	-
Total Revenue	<u>3,032</u>	<u>100%</u>	<u>2,765</u>	<u>100%</u>	<u>1,818</u>	<u>100%</u>

2. Revenue Structure of the Group by Source of revenue

	2019		2018		2017	
	MB	%	MB	%	MB	%
1. Government Sector	893	29%	1,233	45%	663	36%
2. Private Sector	2,139	71%	1,532	55%	1,155	64%
Total	<u>3,032</u>	<u>100%</u>	<u>2,765</u>	<u>100%</u>	<u>1,818</u>	<u>100%</u>

Industry conditions and competition

Krungsri Research Center expected that the overall construction investment value in the years 2019, 2020, and 2021 will grow for 3.5-5.0%, 5-7% and 7.5-9.5% YoY, respectively. It resulted from the acceleration of large-scale government projects and private construction investment which are expected to grow continuously due to increased confidence.

● **Public sector construction work is likely to accelerate after having a new government. Construction value in 2019 is expected to grow not so high; it is in the rate of 3-5%** as a result of waiting for a clear policy of the new government in the second half of the year. However, **in the year 2020-2021, it is likely to accelerate at 5- 7% and 8-10%** respectively, since new large infrastructure projects would increase in several projects, especially: 1) projects in Bangkok and peripheral areas such as the Purple Line (Tao Poon - Rat Burana); 2) Projects in EEC such as high-speed rail connecting three airports: Utapao Airport and Laem Chabang Port Phase 3 and 3) Projects in the main provinces (such as Chiang Mai, Khon Kaen, Nakhon Ratchasima, Phuket and Phitsanulok) such as light rail train and airport expansion. There are also government investment plans for medium-sized and small projects under the annual budget. Most of them are road network expansion and improvement projects of the Department of Highways and Department of Rural Roads.

In addition, in the next 3 years, several government projects that have been prepared and have been approved by the Cabinet will start investing in the construction, transmission system and maintenance. The projects that can be started to construct first are projects that have the following conditions: 1) The contractor selection process is in progress; 2) There is preparing for bidding and 3) Projects approved by the Cabinet for investment, passing the consideration from The Environment Committee regarding environment and health.

In the next phase, there will be more PPP projects, with construction costs in the form of government-responsible projects and private-sector projects. In this regard, the PPP formulation depends on the government policy and the negotiation about the benefits that will occur from the expected passenger quantity. However, it is likely that most PPP projects will be in the form of “PPP Net cost” more than “PPP Gross cost”, because the private sector will have the right to collect revenue and help reduce the government's operating costs.

● **Construction in the private sector tends to grow in accordance with economic conditions and induced by the result of government investment in construction (“Crowding in effects”).**

The construction cost of the private sector is expected to grow by 4-5% in 2019, slightly reducing from the year 2018. The slower growth is in line with the declining economy, waiting for the progress of government infrastructure investment, as well as the strictness of financial institutions in giving housing loans including the effect of the new housing loan supervision regulations which came into effect in April 2019 that may cause the construction of the overall housing to grow in a limited range **in 2020 and 2021, with a tendency to grow 5-7% and 7-9% respectively**, there is benefit from 1)

the accelerated construction of the communication infrastructure will lead to the construction of private sector such as housing which will gradually increase, including residences along the sky train routes in some areas (such as Ratchada-Ladprao, Phahonyothin, Ramkhamhaeng); 2) EEC projects support construction of commercial buildings, industrial estates and hotels and 3) other construction projects of private sector, such as mix-used development project (such as One Bangkok and The Grand Rama 9), which is a new form of real estate development that has tendency to grow continuously.

The tendency of construction contractors' overall performance for the next 3 years will grow continuously. Contractors that focus on the construction work of government projects had more work in hand or backlog in the year 2019. This group of revenue will increase slightly, due to the fact that large projects have to wait for the new government in the second half of the year and will accelerate during the years 2020-2021, according to the investment of large and small projects that will be built at the same time according to the plan of several projects. As for contractors that focus on private sector work in the year 2019, their revenue tends to slow down due to the economic slowdown, waiting for the progress of the infrastructure, including more strict regulations on mortgage loan for residence, that may affect business operators in the decision making to invest in new projects and during the year 2020-2021, revenue of business operators will tend to increase as the support of demand for real estate investment will improve according to the economy and the construction of infrastructure of the public sector.

For the business performance trend classified by business size, large contractors have more opportunities to receive jobs from government projects and large private projects, including foreign construction projects, especially the group of CLMV (Cambodia, Laos, Myanmar and Vietnam), which has ongoing infrastructure investment, but by the year 2019, the revenue of this group of contractors may grow little because of result of the disbursement of government work projects that may be delayed by the election of the new government in the first half of the year 2019, but will have a better direction during 2020-2021, according to political clarity and accelerate investment in large-scale projects. For medium-sized and small contractors, they will get the benefits from: 1) Subcontracting from large contractors having work in hand or backlog, even with low margins and 2) Direct job recruitment from the expanded real estate projects. However, some medium-sized and small contractors may have financial management restrictions, resulting in not being able to stock a lot of building materials, or rely on labor rather than machinery, resulting in higher operating costs, therefore, the revenue cannot grow much.

Aside from the volume of construction work in Thailand with the potential for growth, **construction in neighboring CLMV countries (Cambodia, Laos, Myanmar and Vietnam)** over the next 3 years is likely to expand as well, (considering from the years 2012-2017, the value of construction to GDP increased step by step. Cambodia is the country with the average growth of the construction sector at 25% per year, followed by Myanmar, Laos and Vietnam, which grew 19%, 12% and 10%, per year respectively), which is an opportunity for Thai contractors to accept more construction work. The types of projects that Thai contractors have expertise are construction projects that are expected to expand according to the investment plans of the public sector and private sector in CLMV such as Myanmar, in the type of electricity power plant development and road network in several directions, especially in urban areas and inter-city links such as Yangon and Mandalay, as well as real estate projects, such as residences and hotels, according to the growth of the city

Source: Krungsri Research – Business/Industry Trends in the Years 2019-2021 Construction Contractor Business

● Risk Factors ●

Risk management policy

The company is committed to conducting business to achieve the company's goals and specified business plans. It realized the ever-changing business environment and the risks that can occur at all times. In order to comply with the principles of good corporate governance, the company has established risk management policy in order to lead to a systematic operation by appropriately analyzing, evaluating, managing and monitoring risks at all times, to help minimize losses and potential impacts. In this regard, the management and staff at all levels have been developed to have knowledge, understanding, and to participate in the risk management process, in order to ensure the company's operation can achieve the mutual goals and objectives of the organization.

1. The Risk of Reliance on Key Management Staff

There are three founders of the company. Two of them have currently retired and the remaining founder is Dr. Narong Thasnaniphan senior professional civil engineer, an engineer with long experience in the construction industry, particularly the underground construction, over 45 years. He is well recognized and accepted by designers, engineering companies, consultants and project owners. That is the key qualification to make contact with customers.

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.

2. 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.

However, Executive Vice President, Project Manager, or Project Engineer of the company, most of them in the percentage of 90% have been working with the company for about more than 10 years, having controlled engineering professional license, in the levels of associate engineer, ordinary engineer and senior professional engineer, altogether for more than 20 people. 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.

3. 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 the year 2019, the company set reserve for bad debt in the amount of 3.53 million Baht.

4. 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.

5. 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 no more than 10% 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 significantly 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.

6. 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.

7. 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.

8. 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.

9. 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 45 years of reputation, we well understand the competitive conditions and have expanded more bases in foundation, structural, road and tunnel works.

10. 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. .

11. 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.

12. 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.

13. The new risks

Referring the urban community growth, it must have various industries, as a result in the climate change. It has caused higher temperatures to create global warming and floods, dust, including the epidemic as in the present time.

We have prevented a risk by insurance to cover an impact on the change of the climate, and the company also had a policy of taking responsibility for the society to reduce the global warming. For instance, promoting reforestation, a campaign to reduce the use of plastic bags, including giving knowledge to the employees on protection against contagion with an emphasis for the employees should eat hot food, using a serving spoon, wash their hands and wear a surgical mask staying in the community or crowd and frequent washing hands.



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● **Structure of Shareholders and Management** ●

Structure of Shareholders

List of the Largest Shareholders as at November 28, 2019

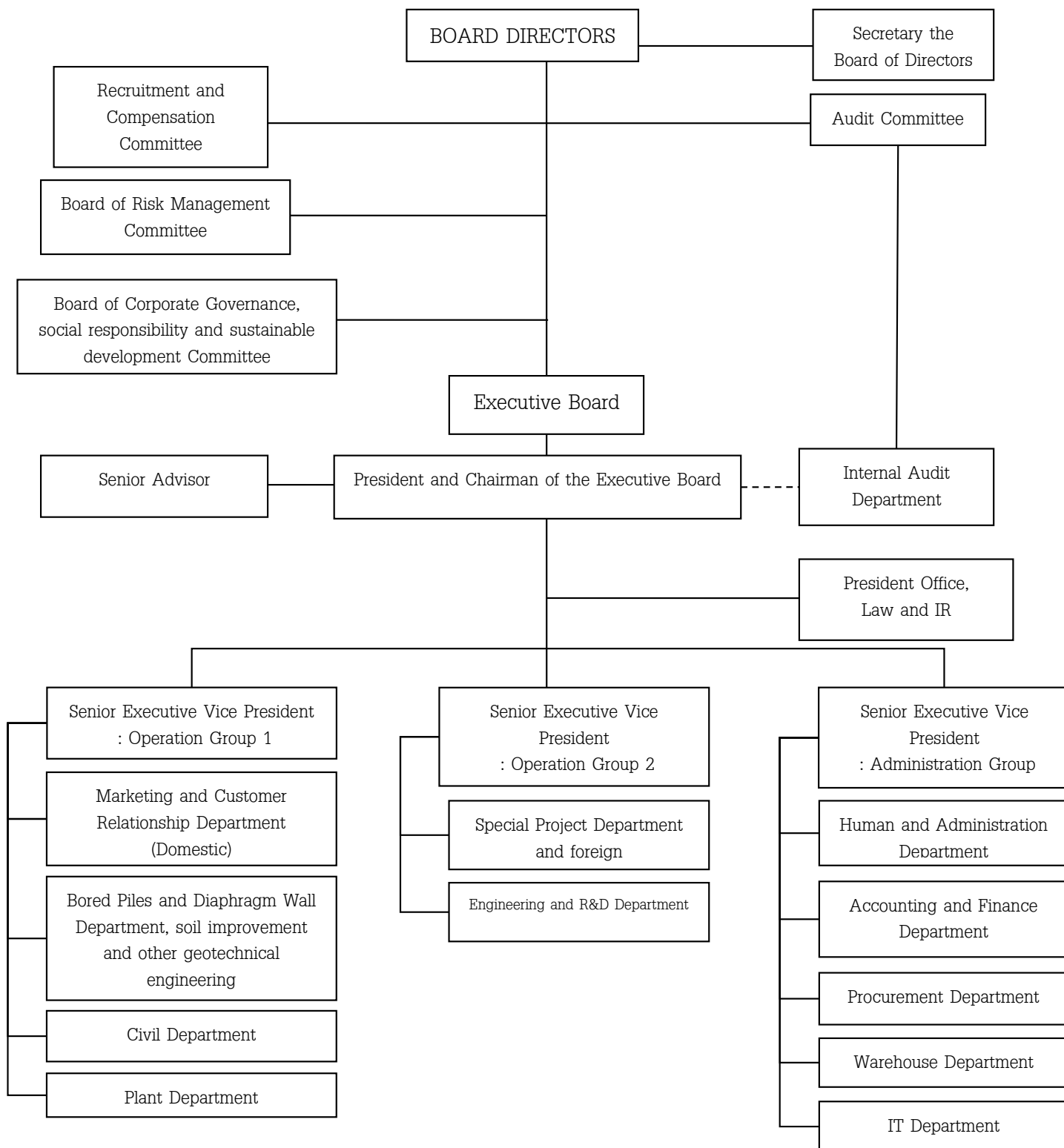
Shareholders' List	Number of Shares	Percentage of Paid Up Capital
1. Thasnanipan Group	193,743,854	26.19
1.1 Dr. Narong Thasnanipan	56,857,936	7.69
1.2 Mrs. Paovana Thasnanipan	23,857,163	3.23
1.3 Mr. Nutthapan Thasnanipan	7,521,915	1.02
1.4 Miss Nutthawan Thasnanipan	7,860,677	1.06
1.5 Mrs. Nutthakam Thasnanipan Thanno	53,672,824	7.25
1.6 Mr. Thasapan Thasnanipan	23,398,371	3.16
1.7 Mr. Nutthapon Thasnanipan	17,182,896	2.32
1.8 Mr. Decha Thasnanipan	3,392,072	0.46
2. Thai NVDR Company Limited	14,975,952	2.02
3. Mr. Tachapong Pravesvararat	14,695,600	1.99
4. Muang Thai Life Assurance Public Company Limited	14,600,000	1.97
5. Thai Life Insurance Public Company Limited	9,021,000	1.22
6. Miss. Puangmali Pravesvararat	7,845,538	1.06
7. Mr.Vichai Sangsukiam	7,206,100	0.97
8. Mr. Pruet Narathassajarn	6,537,811	0.88
9. Other	471,082,053	63.68
Total	739,707,908	100.00

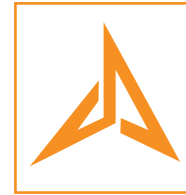


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Organization Chart





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Management Board of Directors

Shareholders

Board of Director

List of names the Board of Director

1. Assoc.Prof Dr. Somjai	Phagaphasvivat	Chairman (Independent Director)
2. Dr. Narong	Thasnanipan	Director
3. Mr. Padej	Rujikhajorndej	Director
4. Mr. Kamol	Singtogaw	Director
5. Miss. Nutthawan	Thasnanipan	Director
6. Mr. Zaw Zaw	Aye	Director
7. Mr. Nutthapan	Thasnanipan	Director
8. Mr. Nutthapon	Thasnanipan	Director
9. Mr. Nirandom	Akrakitak	Director
10. Mr. Siwa	Sangmanee	Director (Independent Director)
11. Mr. Somkuan	Watakeekul	Director (Independent Director)
12. Mr. Somkual	Musig – In	Director (Independent Director)
13. Mr. Loyleuan	Bunnag	Director (Independent Director)
14. Mr. Apai	Chandanachulaka	Director (Independent Director)
Mr. Anek Srituptim Secretary		

Executive Board

List of names the Board of Executive Director

1. Dr. Narong	Thasnanipan	President
2. Mr. Padej	Rujikhajorndej	Executive Director
3. Mr. Kamol	Singtogaw	Executive Director
4. Mr. Zaw Zaw	Aye	Executive Director
5. Miss Nutthawan	Thasnanipan	Executive Director
6. Mr. Nutthapan	Thasnanipan	Executive Director
7. Mr. Nutthapon	Thasnanipan	Executive Director
8. Mr. Nirandom	Akrakitak	Executive Director

Recruitment and Compensation Committee

List of names the Recruitment and Compensation Committee

1. Mr. Apai	Chandanachulaka	Chairman of the Recruitment and Compensation Committee
2. Mr. Somkuan	Watakeekul	Recruitment and Compensation Committee
3. Miss. Nutthawan	Thasnanipan	Recruitment and Compensation Committee

Risk Management Committee

List of names the Risk Management Committee

1. Mr. Somkual	Musig – In	Chairman of the Risk management Committee
2. Mr. Padej	Rujikhajorndej	Risk management Committee
3. Mr. Kamol	Singtogaw	Risk management Committee
4. Mr. Zaw Zaw	Aye	Risk management Committee
5. Mr. Nutthapan	Thasnanipan	Risk management Committee
6. Mr. Nirandom	Akrakitak	Risk management Committee
7. Mr. Nutthapon	Thasnanipan	Risk management Committee

Audit Committee

List of names the Audit Committee

1. Mr. Siwa	Sangmanee	Chairman of the Audit Committee
2. Mr. Somkuan	Watakeekul	Audit Committee
3. Mr. Somkual	Musig – In	Audit Committee
4. Mr. Loyleuan	Bunnag	Audit Committee
5. Mr. Apai	Chandanachulaka	Audit Committee



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Corporate Governance, Social responsibility and sustainable development Committee

Corporate Governance, Social responsibility and sustainable development Committee

List of names the Corporate Governance, Social responsibility and sustainable development Committee

- | | | |
|------------------|---------------|---|
| 1. Mr. Loyluean | Bunnag | Chairman of the Corporate Governance, Social responsibility and sustainable development Committee |
| 2. Mr. Padej | Rujikhajordej | Corporate Governance, Social responsibility and sustainable development Committee |
| 3. Mr. Nutthapan | Thasnanipan | Corporate Governance, Social responsibility and sustainable development Committee |
| 4. Mr. Nirandom | Akrakitak | Corporate Governance, Social responsibility and sustainable development Committee |
| 5. Mr. Nutthapon | Thasnanipan | Corporate Governance, 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 | Rujikhajordej | 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. Nirandom | Akrakitak | Executive Vice President : President Office |
| 9. Mr. Kamol | Youyuenpathana | Vice President: Civil Work Department |
| 10. Mr. Anek | Srituptim | Vice President: Accounting and Finance Department |
| 11. Mr. Somsak | Thawatchpongthon | Vice President: Procurement Department |
| 12. Mr. Tawat | Phutphong | Vice President: Plant Department |

● Structure of Management ●

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 Independent directors shall hold office for a period of not more than 9 years (in the case that the company is unable to find independent directors with qualifications, knowledge and ability to be equal to the former director, such director will be allowed to hold the position for more than 9 years)
 - 3.2 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.
 - 3.3 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.
 - 3.4 Having no business relationships, interests, conflicts of interests, directly or indirectly, in finance and management, and being not a customer, partner, raw materials supplier, trade creditor/debtor, loan creditor/debtor of the Company, its group companies, associated companies, subsidiaries, or being a potentially conflicting person which could lead to lack of independence.
 - 3.5 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 seven a year.

8. Sub-committees have to arrange a meeting on a regularly basis at least two a year.

9. Directors of the company and the non-management directors have jointly met with the auditor of the company without participation of the management regularly at least 4 times a year.

10. The independent board meeting shall be held without the management team attending the meeting, at least one time per year.

11. 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.

6. Independent directors are ready to use their own discretion independently in their consideration of strategy determination plan, management, resources use, director appointment, and operational standard establishment so as to raise highest the economic value for the Company and its shareholders.

7. 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. The work is to follow up and monitor the implementation of the company's strategy. In the board meeting, in every quarter, the Board follows the management's performance, by specifying the performance report and the operating results of the company, especially the goals of performance and financial goals and the plan is in accordance with the strategy which is laid down.

9. 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.

10. Provide as guidelines for internal performance, provisions about the Code of Conduct and business ethics, and ethics for directors, executives and staff.

11. Stop trading securities at least 1 month prior to a news release of financial statements and at least 3 days subsequent to such release.

12. 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:

12.1 Having a conflict of interest, directly or indirectly, in any contract executed by the Company during a financial year.

12.2 Holding stocks, debentures or preference shares of the Company and its group companies.

13. To assess themselves annually to ensure that they properly take control and perform their tasks well enough. The assessment shall be used for management improvement. The assessment shall be done on the SEC form adapted by the company in line with the company's Board of Directors. The assessment results shall be reported to the Board of Directors for use by the management.

Authority of the Board of Directors

1. Appoint, remove, or give power to advisors of the Board of Directors, several committees and Managing Director to perform the work

2. Consult with experts or the consultant of the company, or to hire a consultant or external expert in case of necessity, with the expense of the company

3. Approve borrowing for use as working capital of the company, in the amount exceeding the authority of the Executive Committee

4. Approval of receiving or canceling credit lines in the amount exceeding the authority of the Executive Committee

5. Approve lending to companies that have business relationships with the company as a shareholder or companies that conduct business with each other or other companies in the amount exceeding the authority of the Executive Committee

6. Approve the guarantee of credit facilities for companies that have business relationships with the company, as a shareholder or companies that conduct business with each other or other companies in the amount exceeding the authority of the Executive Committee

7. Approve the establishment, merger or dissolution of subsidiaries
8. Approve investment, selling investments in ordinary shares and/or any other securities in the amount exceeding the authority of the Executive Committee
9. Approve the procurement and investment in fixed assets in the amount exceeding the authority of the Executive Committee
10. Approve the disposal of fixed assets in the amount exceeding the authority of the Executive Committee
11. Approve the adjustment of the condition, destruction, amortization of fixed assets and/or intangible assets that are discontinued, damaged, lost, destroyed, deteriorated, obsolete or those unable to be used, it will have value in the accounting value (cost) in the amount that exceeds the authority of the Executive Committee
12. Approve compromise, settlement of disputes by arbitration, grievances, prosecution and/or any proceedings in the name of the company for non-commercial matters and/or in the normal course of business that has the capital in the amount exceeding the authority of the Executive Committee
13. Approve the transaction that is not normal for the business in the amount exceeding the authority of the Executive Committee
14. Propose capital increase or decrease in capital or change in the value of shares, amendments to the memorandum of association, articles of association and / or objectives of the company to the shareholders
15. Authorize the management, executives, or employees of the company or any other person who is a representative
16. Having the power to invite the management, executives, or related employees of the company to explain, give opinion, join in the meeting and to send documents as the Board deems that it is related or necessary.
17. Appoint and withdraw the secretary of the company.
18. All such above authority to operate the work of executive committee relating with acquiring or distributing assets or related transactions; it shall be done according to the notice of capital market supervision committee.

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.

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

No.	Name	No.							Total
		1	2	3	4	5	6	7	
1	Assoc.Prof.Dr.Somjai Phagaphasvivat (Chairman)	✓	✓	✓	✓	✓	✓	✓	7/7
2	Dr. Narong Thasnanipan	✓	✓	✓	✓	✓	✓	✓	7/7
3	Mr. Zaw Zaw Aye	✓	✓	✓	✓	✓	✓	✓	7/7
4	Miss Nutthawan Thasnanipan	✓	✓	✓	✓	✓	✓	✓	7/7
5	Mr. Kamol Singtogaw	✓	✓	✓	✓	✓	✓	✓	7/7
6	Mr. Padej Rujikhajorndej	✓	✓	✓	✓	✓	✓	✓	7/7
7	Mr. Nutthapan Thasnanipan	✓	✓	✓	✓	✓	✓	✓	7/7
8	Mr. Nutthapon Thasnanipan	✓	✓	✓	✓	✓	✓	✓	7/7
9	Mr. Nirandom Akrapitak	✓	✓	✓	✓	✓	✓	✓	7/7
10	Mr. Siwa Sangmanee	✓	✓	✓	✓	✓	✓	✓	7/7
11	Mr. Somkuan Watakeekul	✓	✓	✓	✓	✓	✓	✓	7/7
12	Mr. Somkual Musig – In	✓	✓	✓	✓	✓	✓	✓	7/7
13	Mr. Loyleuan Bunnag	✓	✓	✓	✓	✓	✓	✓	7/7
14	Mr. Apai Chandanachulaka	xx	xx	✓	✓	✓	✓	✓	5/5

✓ Means attend the meeting

x Means not attend the meeting

xx Means not attend as he/she has not yet become a director.

The Board meeting

In the year 2020, there is making of table of the Board of Directors' meeting and Audit Committee meeting for the year 2020 in advance (This meeting schedule may be changed).

No.	Meeting of the Board of Directors	Meeting of Audit Committee
1	Wednesday 26 February 2020	Wednesday 26 February 2020
2	Wednesday 1 April 2020	Wednesday 13 May 2020
3	Wednesday 13 May 2020	Thursday 13 August 2020
4	Thursday 30 July 2020	Thursday 12 November 2020
5	Thursday 13 August 2020	
6	Thursday 12 November 2020	
7	Wednesday 16 December 2020	



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Number of meetings arranged and number of meetings attended by each director, non-executive directors met with auditor of the company without attendance of the management

No.	Name	No.					Total
		1	2	3	4	5	
1	Mr. Siwa Sangmanee	✓	✓	✓	✓	✓	5/5
2	Mr. Somkuan Watakeekul	✓	✓	✓	✓	✓	5/5
3	Mr. Somkual Musig – In	✓	✓	✓	✓	✓	5/5
4	Mr. Loyleuan Bunnag	✓	✓	✓	✓	✓	5/5
5	Mr. Apai Chandanachulaka	✕✕	✓	✓	✓	✓	4/4

✓ Means attend the meeting

✕ Means not attend the meeting

✕✕ Means not attend as he/she has not yet become a director.

Meeting of non-executive directors

The Board of Directors determines that non-executive directors (except the chairman of the board), there are meetings as appropriate without any director who is not executive or the management participating in the meeting, to provide opportunities for discussion of several problems both related to the business of the company, such as management strategy, ways of sustainable growth, or other matters. In the year 2019, there was one meeting of non-executive directors.

Number of meetings of the independent committee meeting together, without management attending the meeting.

No.	Name	No.	Total
		1	
1	Assoc.Prof.Dr.Somjai Phagaphasvivat	✓	1/1
2	Mr. Siwa Sangmanee	✓	1/1
3	Mr. Somkuan Watakeekul	✓	1/1
4	Mr. Somkual Musig – In	✓	1/1
5	Mr. Loyleuan Bunnag	✓	1/1
6	Mr. Apai Chandanachulaka	✕✕	-/-

✓ Means attend the meeting

✕ Means not attend the meeting

✕✕ Means not attend as he/she has not yet become a director.

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.

In the year 2019, the Company evaluated each committee, individuals, president (CEO).

With the process of evaluating as follows:

1. Conduct an assessment of work performance at least once a year
2. Internal auditors summarize and present performance assessment results of all sub-committees individually and the President (CEO). This includes assessment of compliance with good corporate governance principles to the Audit Committee to consider the evaluation results and development guidelines to improve operational effectiveness
3. Audit Committee proposes evaluation results and improvement guidelines to increase operational effectiveness of all directors to the Board of Directors

Assessment form of the Board of Directors, having the following topics of assessment:

1. Structure and qualifications of directors
2. Roles, duties and responsibilities of directors
3. Meeting of Directors
4. Directors' duties
5. Relationship with directors and executives
6. Self-development of directors

Assessment form of the Executive Committee, having the following topics of assessment:

1. Structure and qualifications of executives
2. Roles, duties and responsibilities of executives
3. Executive meeting
4. Executive duties
5. Relationship with the directors of the company
6. Self-development of the executives

Assessment form of each sub-committee with the following topics of assessment:

1. The structure and qualifications of the Board of Directors are appropriate, making the work of the Board effective
2. The sub-committee meeting was carried out so that the Board can perform the duty in the meeting effectively
3. Roles, duties and responsibilities of the Board of Directors in each set has focused the importance, takes time to

consider, review and follow the following matters sufficiently:

Assessment form of Each Person in the Board with the following topics of assessment:

1. Structure and qualifications of the Board of Directors
2. Meetings of the Board
3. Roles, duties and responsibilities of the Board of Directors

Assessment Form of the Chief Executive Officer (CEO) with the following topics of assessment:

1. Leadership
2. Strategy determination
3. Compliance with the strategy
4. Financial planning and performance
5. Relationship with the Board of Directors and the Executive Committee
6. External relations
7. Management and relationship with the personnel of the company
8. Succession of positions
9. Knowledge of products and services
10. Personal features
11. CEO development

In the year 2019, the company has evaluated the result of each committee, which has a rating criteria and the evaluation result is as follows:

Rating criteria

Level 0 (0%)	= Strongly disagree, or there is no action in that regard
Level 1 (40%)	= Disagree, or there is minor actions in that regard
Level 2 (60%)	= Agree or take appropriate action in that matter
Level 3 (80%)	= Relatively strongly agree or have an action that is good
Level 4 (100%)	= Agree strongly or have an excellent process for that matter
N/A	= No data or cannot be used.

Summary of the average score for each group's assessment

Board	Evaluation (%)	
	Y2019	Y2018
Board of Directors	3.78 (95%)	3.75 (95%)
Audit Committee	3.95 (99%)	3.95 (99%)
The Recruitment and Compensation Committee	3.94 (98%)	3.74 (94%)
Risk Management Committee	3.58 (91%)	3.65 (93%)
Self-evaluation of each person	3.82 (96%)	3.73 (94%)
President, Chief Executive Officer	4.00 (100%)	4.00 (100%)
Corporate Governance, social responsibility and sustainable development committee	3.42 (88%)	3.10 (82%)
Executive Committee	3.77 (95%)	3.52 (90%)

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 2018 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. Explosion from the inside; sustainable development principles; starting from inside the organization, by the Stock Exchange of Thailand
2. State of the Corporate Sustainability, by Thaipat Institute
3. ISO 9001-2015 standard
4. Committee of the Council of Engineers, Session 7 (2019-Present)
5. Evaluation Committee of the Rector's management, King Mongkut's Institute of Technology Lat Krabang
6. Knowledge about insurance
7. Development of potential to increase work efficiency
8. ADR Construction 2019, Alternative dispute resolution in the construction business, by the Thai Arbitration Institute (THAC)
9. Construction safety standards, Book 4, Safety in work operation, under special environmental conditions, by the Construction Safety Standards Working Group, in the Sub-Committee on Construction Management, the Engineering Institute of Thailand
10. IR Fundamental Course, Class 3, by the Stock Exchange of Thailand
11. Bhumipalung Phandin Course, Class 5, Chulalongkorn
12. Mentor & Mentee, Class 1/2019, by the Institute of Intelligent Trade and Investment Advisors
13. Tax & Regulatory Update, by the Board of Investment

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 63 of the annual report.

Sub-committees

The company has established a Sub-Committee, Audit Committee, The Recruitment and Compensation Committee, Risk Management Committee and Corporate Governance, 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.

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.



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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.

Quorum of the meeting of the board of Audit Committee to pass a resolution

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

In the year 2019 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 6 times.

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

No.	Name	No.						Total
		1	2	3	4	5	6	
1	Mr. Siwa Sangmanee (Chairman)	✓	✓	✓	✓	✓	✓	6/6
2	Mr. Somkuan Watakeekul	✓	✓	✓	✓	✓	✓	6/6
3	Mr. Somkual Musig – In	✓	✓	✓	✓	✓	✓	6/6
4	Mr. Layleuan Bunnag	✓	✓	✓	✓	✓	✓	6/6
5	Mr. Apai Chandanachulaka	xx	✓	✓	✓	✓	✓	5/5

✓ Means attend the meeting

x Means not attend the meeting

xx Means not attend as he/she has not yet become a director.

The Recruitment and Compensation Committee

Roles, Duties and Responsibilities of the Recruitment and Compensation Committee

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

Quorum of the meeting of the board of Recruitment and Compensation Committee to pass a resolution

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

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

No.	Name	No.		Total
		1	2	
1.	Mr. Apai Chandanachulaka (Chairman)	xx	✓	1/1
2.	Mr. Somkuan Watakeekul	✓	✓	2/2
3.	Miss. Nutthawan Thasnanipan	✓	✓	2/2
4.	Mr. Loyleuan Bunnag	✓	-	1/1

On May 13, 2019 Mr. Apai Chandanachulaka was appointed to be Recruitment and Compensation Committee, replacing Mr. Loyleuan Bunnag

On November 12, 2019 Mr. Apai Chandanachulaka was appointed to be Chairman of Recruitment and Compensation Committee, replacing Mr. Somkuan Watakeekul

- ✓ Means attend the meeting
- × Means not attend the meeting
- xx Means not attend as he/she has not yet become a director.

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.

Risk Management Committee

The Board of Directors has appointed a new Risk Management Committee on 12 November 2018 to determine the risk management policy in the management of the company, to be in accordance with the company's management policy and strategy including evaluating the result of risks which may occur in order to report to the Board of Directors.

In risk management, the Board of Directors has monitored and acknowledged the risk management plan of the Company from the management's report in reporting the performance of the Board of Directors every time and acknowledges from the report of the Corporate Governance Committee and Risk Management Committee which the company has determined and assessed the risks of the business. There is determination of measures to protect and risk management system which is effective, covering the entire organization.

Risk administration and management policies

Risk management policy

The company is committed to conducting business to achieve the company's goals and specified business plans. It realized the ever-changing business environment and the risks that can occur at all times. In order to comply with the principles of good corporate governance, the company has established risk management policy in order to lead to a systematic operation by appropriately analyzing, evaluating, managing and monitoring risks at all times, to help minimize losses and potential impacts. In this regard, the management and staff at all levels have been developed to have knowledge, understanding, and to participate in the risk management process, in order to ensure the company's operation can achieve the mutual goals and objectives of the organization.

Roles, Duties and Responsibilities of the risk management committee

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

Quorum of the meeting of the board of risk management committee to pass a resolution

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

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

No.	Name	No.		Total
		1	2	
1	Mr. Somkual Musig – In (Chairman)	✓	✓	2/2
2	Mr. Zaw Zaw Aye	✗	✓	2/1
3	Mr. Padej Rujikhajorndej	✓	✓	2/2
4	Mr. Kamol Singtogaw	✓	✗	2/1
5	Mr. Nutthapan Thasnanipan	✓	✓	2/2
6	Mr. Nutthapon Thasnanipan	✓	✓	2/2
7	Mr. Nirandom Akrapitak	✓	✓	2/2

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

Corporate Governance, Social responsibility and sustainable development Committee

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

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.

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.

Numbers of Corporate Governance, Social responsibility and sustainable development Committee and numbers of attendance each director attending the meeting

No.	Name	No.		Total
		1	2	
1.	Mr. Loyleuan Bunnag (Chairman)	✓	✓	2/2
2.	Mr. Padej Rujikhajorndej	✓	✓	2/2
3.	Mr. Nutthapan Thasnanipan	✓	✓	2/2
4.	Mr. Nutthapon Thasnanipan	✓	✗	2/1
5.	Mr. Nirandorn Akrapitak	✓	✓	2/2

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

● 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





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1.Details of Directors and Persons with Power of Control

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

No.	Executives Name and persons with power of control	Company	Related Companies		
			1	2	3
1.	Dr. Narong Thasnanipan	/, //, 0	/	/	/
2.	Mr. Zaw Zaw Aye	/, //, ///	/	/	/
3.	Miss Nutthawan Thasnanipan	/, //, ///			
4.	Mr. Kamol Singtogaw	/, //, ///	/	/	
5.	Mr. Padej Rujikhajorndej	/, //, ///	/		
6.	Mr. Nutthapan Thasnanipan	/, //, ///			/
7.	Mr. Nutthapon Thasnanipan	/, //, ///			
8.	Mr. Nirandom Akrapitak	/, //, ///			
9.	Asst. Prof. Dr. Somjai Phagaphasvivat	X, /, IV			
10.	Mr. Siwa Sangmanee	/, IV			
11.	Mr. Somkuan Watakeekul	/, IV			
12.	Mr. Somkual Musig-In	/, IV			
13.	Mr. Loyleun Bunnag	/, IV			
14.	Mr. Apai Chandanachulaka	/, IV			
15.	Mr. Anek Srituptim	///			
16.	Mr. Kamol Youyuenpathana	///			
17.	Mr. Somsak Thawatchpongthon	///			
18.	Mr. Tawat Putphong	///			

X = Chairman

/ = Director

IV = Independent Director

// = Executive Director

/// = Executive Officer

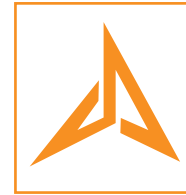
0 = CEO

Note:

1. = Seafco Construction Co.,Ltd.

2. = Seafco Intertrade Co.,Ltd.

3. = Seafco (Myanmar) Co.,Ltd.



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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>29 January 2019</u>	<u>During the year 2019 Increase (Decrease)</u>	<u>28 November 2019</u>
1.	Dr. Narong Thasnanipan	51,689,033	5,168,903	56,857,936
2.	Miss Nutthawan Thasnanipan	5,940,798	1,919,879	7,860,677
3.	Mr. Padej Rujikhajorndej	66,000	6,600	72,600
4.	Mr. Kamol Singtogaw	51,134	5,113	56,247
5.	Mr.Zaw Zaw Aye	87,584	8,758	96,342
6.	Mr. Nutthapan Thasnanipan	6,838,105	683,810	7,521,915
7.	Mr. Nutthapon Thasnanipan	15,620,815	1,562,081	17,182,896
8.	Mr. Nirandorn Akrapitak	-	-	-
9.	Asst. Prof. Dr. Somjai Phagaphasvivat	-	-	-
10.	Mr. Siwa Sangmanee	-	-	-
11.	Mr. Somkuan Watakeekul	-	-	-
12.	Mr. Somkual Musig-In	-	-	-
13.	Mr. Loyleun Bunnag	-	-	-
14.	Mr. Apai Chandanachulaka	-	-	-
15.	Mr. Anek Srituptim	67,251	6,545	73,976
16.	Mr. Kamol Youyuenpathana	-	-	-
17.	Mr. Somsak Thawatchpongthon	-	-	-
18.	Mr. Tawat Putphong	-	-	-



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3. Details of directors, executives, persons with power of control , secretary, the highest responsible person in accounting and finance (CFO) and bookkeeping supervisor

Name-Surname / Age / Position / Date of appointment

Dr. Narong Thasnanipan / 72 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 26 April 2018

Education

- Bachelor's Degree of Science in Civil Engineering Far Eastern University, Manila, Philippines
- Bachelor's Degree of Law in Ramkhamhaeng University
- Honorary Doctorate Degree in Civil Engineering King Mongkut's Institute of Technology Ladkrabang

IOD Program

- Successful Formulation & Execution of Strategy (SFE), Class 3/2009
- Advanced Audit Committee รุ่น 1/2009
- Monitoring the System of Internal Control and Risk Management (MIR 4) / 2008
- Monitoring the Internal Audit Function (MIA 4) /2008
- Role of Committee Program (RCC), Class 24/2008
- Audit Committee Program (ACP), Class 24/2008
- Role of the Compensation Committee Program, Class 3/2007
- Director Certification Program (DCP), Class 92/2007
- Director Accreditation Program (DAP), Class 15/2004
- Finance for Non-Finance Directors / 2004

Other Program

- Senior Executive Program for Nation-Building Class1
- High Executive Program, Thammasat for Society NorMorThor. Group 4
- Bhumipalung Phandin Program, Chulalongkorn University Group 2
- Certificate of Capital market academy class 12
- Leadership Development Program (LDP) , IOD
- Samanthi Course, Willpower Institute Class 27
- Advanced Meditation, Willpower Institute
- Ajariyasa samathi, Willpower Institute Class 7/2
- Explosion from the inside; sustainable development principles; starting from inside the organization, by the Stock Exchange of Thailand
- State of the Corporate Sustainability, by Thaipat Institute
- ISO 9001-2015 standard

Percentage of Paid up capital

As of November 28, 2019 10.92% (Director 7.69%, spouse ...3.23% , underage children ...-....%)

Relationship between management

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

Experiences (As of 31/12/2019)

1999 - Now President and CEO, Seafco PCL

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 of Foundation of Professor Dr. Chai Muktaphan
- Director of Foundation of Power of Mind Institute of Luang Por Wiriyang Sirintharo (2014-Now)
- Committee Member of Thammasat for Society Project (Nor Mor Thor) (2017-present)
- Committee of the Council of Engineers, Session 7 (2019-Present)
- Evaluation Committee of the Rector's management, King Mongkut's Institute of Technology Lat Krabang
- Advisory Committee Member of Concrete Association of Thailand (2018-2019)
- Committee Member, Senior Engineer, Engineering Institute of Thailand (2017-2019)
- Vice President, Listed Companies Association (2015-2017)
- Committee Member, Thai Concrete Product Industry Association (2015-2017)
- Committee Member, Master of Engineering Curriculum Improvement Program, Civil Engineering, International Program, Mahidol University (2017)



SEAFCO

THE FOUNDATION
OF SUCCESS

Name-Surname / Age / Position / Date of appointment

Mr. Zaw Zaw Aye / 56 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 26 April 2018

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)
- Asian Regional on Soil Mechanics

Percentage of Paid up capital

As of November 28, 2019 0.01% (Director 0.01%, spouse ...-....% , underage children ...-....%)

Relationship between management

- None -

Experiences (As of 31/12/2019)

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

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)

Name-Surname / Age / Position / Date of appointment

Miss Nutthawan Thasnanipan / 41 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 25 April 2019

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, Thailand

IOD Program

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

Other Program

- Knowledge about insurance
- ISO 9001-2015 standard
- Entire Business Innovative Transformation (EBIT)
- Financial Statement for Director (FSD) , IOD
- 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
- Samanthi Course, Willpower Institute

Percentage of Paid up capital

As of November 28, 2019 1.06% (Director 1.06%, spouse ...-....% , underage children ...-....%)

Relationship between management

Offspring Mr. Narong Thasnanipan / Spouse Mr. Nirandorn Akrapitak

Experiences (As of 31/12/2019)

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

Position in other

- None -



SEAFCO

THE FOUNDATION
OF SUCCESS

Name-Surname / Age / Position / Date of appointment

Mr. Kamol Singtogaw / 57 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 21 April 2017

Education

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

IOD Program

- Director Accreditation Program #14/2004
- Director Certification Program #92/2007
- Executive Director Program # 6/2010

Other Program

- Knowledge about insurance
- Development of potential to increase work efficiency
- ISO 9001-2015 standard
- Senior Executive Program for Nation-Building Class2
- 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 November 28, 2019 0.01% (Director 0.01%, spouse ...-....% , underage children ...-....%)

Relationship between management

- None -

Experiences (As of 31/12/2019)

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

Position in other

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

Name-Surname / Age / Position / Date of appointment

Mr. Padej Rujikhajorndej / 63 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 21 April 2017

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

- ADR Construction 2019, Alternative dispute resolution in the construction business, by the Thai Arbitration Institute (THAC)
- Development of potential to increase work efficiency
- ISO 9001-2015 standard
- Construction safety standards, Book 4, Safety in work operation, under special environmental conditions, by the Construction Safety Standards Working Group, in the Sub-Committee on Construction Management, the Engineering Institute of Thailand
- Executive Mini MBA (NIDA)
- High Executive Program, Thammasat for Society NorMorThor. Group 7
- Samanthi Course, Willpower Institute

Percentage of Paid up capital

As of November 28, 2019 0.01% (Director 0.01%, spouse ...-....% , underage children ...-....%)

Relationship between management

- None -

Experiences (As of 31/12/2019)

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

Position in other

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



SEAFCO

THE FOUNDATION
OF SUCCESS

Name-Surname / Age / Position / Date of appointment

Mr. Nutthapan Thasnanipan / 43 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 and Date of recent appointment is 25 April 2019

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

- Corporate Governance for Executives (CGE) 10/2018
- Driving company success with IT Governance (ITG5) /2017
- Director Certification Program (DCP) #206/2015
- Family Business for sustainability (FBS) #3/2015

Other Program

- IR Fundamental Course, Class 3, by the Stock Exchange of Thailand
- Bhumipalung Phandin Course, Class 5, Chulalongkorn
- MINI-CE 2018, Faculty of Engineering, Mahidol University
- GRI Certified Training Course, Thaipat Institute
- ASEAN Business and Investment Law Training (2017), Chulalongkorn University
- INNOVATION LEADERSHIP FOR GLOBAL COMPETITIVENESS (ILG) Siam University
- Finance for Non-finance Executive class16 /2017
- Asean Treasures : Opportunities & Challenges (ATOC) , Rangsit University
- THE NEXT REAL 1/2016
- High Executive Program, Thammasat for Society NorMorThor. Group 8
- Certificate in Investor Relations 2016 (TIRC)
- 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
- Samanthi Course, Willpower Institute
- ISO 9001-2015 standard

Percentage of Paid up capital

As of November 28, 2019 1.02% (Director 1.02%, spouse ...-....% , underage children ...-....%)

Relationship between management

Offspring Mr. Narong Thasnanipan

Experiences (As of 31/12/2019)

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

Position in other

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

Name-Surname / Age / Position / Date of appointment

Mr. Nutthapon Thasnanipan / 37 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 and Date of recent appointment is 21 April 2017

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

- ISO 9001-2015 standard
- Operational Risk Management, Tris Corporation
- 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
- Samanthi Course, Willpower Institute

Percentage of Paid up capital

As of November 28, 2019 2.32% (Director 2.32%, spouse ...-....% , underage children ...-....%)

Relationship between management

Offspring Mr. Narong Thasnanipan

Experiences (As of 31/12/2019)

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

Position in other

- Director, Nowhere else Co.,Ltd.



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Name-Surname / Age / Position / Date of appointment

Mr. Nirandom Akrapitak / 47 year / Director is authorized to bind the company, according to the Certificate of company registration / Director and Executive Vice President : President Office / Risk Management Committee

Date of initial appointment is 10 August 2018 and Date of recent appointment is 25 April 2019

Education

- Bachelor of Engineering, Chulalongkorn University (1994))
- Master of Engineering (Civil Engineering), University of Florida (1996)
- Master of Economics (Business Economics), National Institute of Development Administration (NIDA), (2008)

IOD Program

- Director Certification Program (DCP) 268/2018

Other Program

- Knowledge about insurance
- Development of potential to increase work efficiency
- ISO 9001-2015 standard
- Mentor & Mentee, Class 1/2019, by the Institute of Intelligent Trade and Investment Advisors
- Tax & Regulatory Update, by the Board of Investment
- The Business of Platforms, by the Stock Exchange of Thailand
- TLCA Executive Development Program (EDP) 2020
- High Rank Executive Program “Thammasat for Society”, Thammasat University, Class 14
- Samanthi Course, Willpower Institute

Percentage of Paid up capital

As of November 28, 2019 1.06% (Director ...-.....%, spouse ...1.06....%, underage children ...-....%)

Relationship between management

Spouse Miss Nutthawan Thasnanipan

Experiences (As of 31/12/2019)

2008-2018	Banpu Public Company Limited
2006-2008	Boral Concrete & Aggregates

Position in other

- None -

Name-Surname / Age / Position / Date of appointment

Asst.Prof.Dr.Somjai Phagaphavivat / 73 year / Chairman and Independent Director

Date of initial appointment is 18 March 2004 and Date of recent appointment is 25 April 2019

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 November 28, 2019 - None -

Relationship between management

- None -

Experiences (As of 31/12/2019)

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

Position in other

2015 - Now	Director, Suparai PCL
2013 - Now	Chairman of the Audit Committee, Amarin Printing and Publishing PCL
2007 - Now	Independent Director and Chairman of the Audit committee, Lee Feed Mill PCL



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Name-Surname / Age / Position / Date of appointment

Mr. Siwa Sangmanee/ 74 year / Independent Director and Chairman of the Audit Committee

Date of initial appointment is 12 April 2013 and Date of recent appointment is 25 April 2019

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

- AC HOT UPDATE , FAP
- Bhumipalung Phandin Program, Chulalongkorn University Group 2
- High Executive Program, Thammasat for Society NorMorThor. Group 2
- Samanthi Course, Willpower Institute

Percentage of Paid up capital

As of November 28, 2019 - None -

Relationship between management

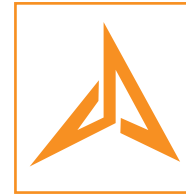
- None -

Experiences (As of 31/12/2019)

- | | |
|------------|---|
| 2013 - Now | Chairman of the Audit Committee, Seafco PCL |
| 2013 - Now | Independent Director / Chairman of the Audit Committee / Chairman of the Recruitment and Compensation Committee, ubon bio ethanol PCL |
| 2017 - Now | Chairman of the Audit Committee, International Research Corporation PCL |
| 2017 - Now | Director, International Research Corporation Co.,Ltd. |

Position in other

- | | |
|-------------|--|
| 2014 – 2019 | Advisor to the Deputy Minister at the Ministry of Interior |
|-------------|--|



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Name-Surname / Age / Position / Date of appointment

Mr. Somkuan Watakeekul / 80 year / Independent Director and Audit Committee Director

Date of initial appointment is 18 March 2004 and Date of recent appointment is 21 April 2017

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 November 28, 2019 - None -

Relationship between management

- None -

Experiences (As of 31/12/2019)

- 2011 - Now Advisor to Board of Directors, CK Power PCL
- 2004 - Now Audit Committee, Seafco PCL

Position in other

- None -



SEAFCO

THE FOUNDATION
OF SUCCESS

Name-Surname / Age / Position / Date of appointment

Mr. Somkual Musig-In / 71 year / Independent Director and Audit Committee Director

Date of initial appointment is 18 March 2004 and Date of recent appointment is 26 April 2018

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)
- Samanthi Course, Willpower Institute

Percentage of Paid up capital

As of November 28, 2019 - None -

Relationship between management

- None -

Experiences (As of 31/12/2019)

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

Position in other

2018 – Now Independent Director / Chairman of the Audit Committee, green resources PCL

Name-Surname / Age / Position / Date of appointment

Mr. Loyleuan Bunnag / 70 year / Independent Director and Audit Committee

Date of initial appointment is 29 October 2015 and Date of recent appointment is 26 April 2018

Education

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

IOD Program

- Director Certification Program 92/2007

Other Program

- Samanthi Course, Willpower Institute

Percentage of Paid up capital

As of November 28, 2019 - None -

Relationship between management

- None -

Experiences (As of 31/12/2019)

2015 - Now Independent Director and Audit Committee, Seafco PCL

Position in other

- Director, Fuel Pipeline Transportation Limited
- Director, Phaibulsombat Co.,Ltd



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THE FOUNDATION
OF SUCCESS

Name-Surname / Age / Position / Date of appointment

Mr. Apai Chandanachulaka/ 76 year / Independent Director and Audit Committee

Date of initial appointment is 25 April 2019

Education

- Bachelor of Political Science (Honor and Good Scores), Faculty of Political Science, Thammasat University
- Master of Political Science, Faculty of Political Science, Thammasat University
- Diploma, Thailand National Defense College, 1990
- Honorary Doctor of Law, Ramkhamhaeng University
- Honorary Doctor of Arts, Public Administration Branch, Pibulsongkram Rajabhat University
- Honorary Doctor of Arts, Social Development Branch, Chiang Rai Rajabhat University
- Honorary Doctor of Arts, Hat Yai University
- Honorary Doctor of philosophy, Kasetsart University

IOD Program

- Director Certification Program 277/2019

Other Program

- Samanthi Course, Willpower Institute

Percentage of Paid up capital

As of November 28, 2019 - None -

Relationship between management

- None -

Experiences (As of 31/12/2019)

2019 – Now Independent Director and Audit Committee, Seafco PCL

Position in other

- Vice President of Somdet Phra Srinakarin Garden Foundation
- Director, Somdet Phra Yan Sangwon Foundation King Bhumibol Adulyadej, Bowon Niwet Temple In the royal palace
- Director of Mahamakutrajavidyalaya Foundation Royal patronage

Name-Surname / Age / Position /Date of appointment

Mr.Anek Srituptim / 63 year / Vice President : Accounting and Finance Department / Company Secretary / CFO

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

- Course of "CVC, new investment strategy, to have spark of innovation, keeping pace with the business world"
- High Executive Program, Thammasat for Society NorMorThor. Group 11
- GRI Certified Training Course, Thaipat Institute
- 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) Training in the year 2019
- Development of potential to increase work efficiency
- ISO 9001-2015 standard
- Adjusting the organization strategy and communicate with satisfying result with Big Data, SET
- Strategic Financial Leadership (SFLP) 2019, TLCA (continuous accounting development of 6 hours per year in accordance with the criteria of the Office of the SEC)

Percentage of Paid up capital

As of November 28, 2019 0.01% (His 0.01%, spouse ...-....% and underage children ...-....%)

Relationship between management

- None -

Experiences (As of 31/12/2019)

2003 - 2011 Vice President : Administrative Departmentt , Seafco PCL

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

Position in other

- None -



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THE FOUNDATION
OF SUCCESS

Name-Surname / Age / Position /Date of appointment

Mr. Kamol Youyuenpattana / 60 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

- Knowledge about insurance
- Development of potential to increase work efficiency
- ADR Construction 2019, Alternative dispute resolution in the construction business, by the Thai Arbitration Institute (THAC)
- ISO 9001-2015 standard
- Smart Construction Project Planning
- 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 November 28, 2019 - None -

Relationship between management

- None -

Experiences (As of 31/12/2019)

1999 - Now Vice President : Civil Department, Seafo PCL

Position in other

- None -

Name-Surname / Age / Position /Date of appointment

Mr. Somsak Thawatchpongthon / 64 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

- TFPA Wealth Management Forum 2019, by Thai Financial Planners Association
- Sustainable Supply Chain Management Training, Class 4, by the Stock Exchange of Thailand
- Train the Trainers: Happy Money, Happy Retirement, by the Capital Market Development Promotion Center, The Stock Exchange of Thailand
- Setting of KPI and evaluation of purchase procurement, by Thailand Business Management Association
- Customs tariffs for import-export, by WASO TRAINING CENTER
- Knowledge about insurance
- Development of potential to increase work efficiency
- ISO 9001-2015 standard
- Samanthi Course, Willpower Institute Class29 (Santisuk)
- Ajariyasa Smathi Course #8, Willpower Institute
- Advanced Meditation Course #1, Willpower Institute (Phayarachasee)
- Advanced Meditation Course #2, Willpower Institute (Phayachattun)
- Autamasasamathi Course, Willpower Institute Class 1 (Praprom)
- Autamasasamathi Course, Willpower Institute Class 2 (Dharma)
- Yanasasmati Course, Willpower Institute Class 1
- Setting a KPI and metrics in procurement (TMA)

Percentage of Paid up capital

As of November 28, 2019 - None -

Relationship between management

- None -

Experiences (As of 31/12/2019)

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

2011 - Now Vice President: Procurement Department , Seafco PCL

Position in other

- None -



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THE FOUNDATION
OF SUCCESS

Name-Surname / Age /Position / Date of appointment

Mr. Tawat Phutpong / 57 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

- Enhance the quality of bilateral vocational education management
- Knowledge about insurance
- Capacity development to increase work efficiency
- ISO standard: 9001-2015
- Personnel development for being crane inspectors
- Work Safety Officer Course in Management Level
- Committee for safety, occupational health and working environment
- Training course for trainers in the workplace
- Law Course for Engineers, Class 5
- Professional Maintenance Management Course, Class 2
- Preventive Machinery Planning Course, Class 5
- Samanthi Course, Willpower Institute

Percentage of Paid up capital

As of November 28, 2019 - None-

Relationship between management

- None -

Experiences (As of 31/12/2019)

2004 - 2013 Director of Maintenance department, Seafco PCL

2013 - Now Vice President: Plant Department, Seafco PCL

Position in other

- None -

Name-Surname / Age / Position / Date of appointment

Miss Rachadawan Horthongkham, 58 years old, the accounting manager

Appointed on 4 May 2015

Education/ / Training

- Master of Business Administration, Administration Branch, Burapa University
- Bachelor of Business Administration in Accounting, Ramkhamhaeng University

Training course

- Basic course of business sustainability, the Stock Exchange of Thailand
- New alternative of tax invoice, to support E-Tax, Revenue Department
- The Final Countdown to the TFRS9 Focus Group
- Mango Smart Tech 2018 Mango Consultant Co., Ltd., Federation of Accounting Professions
- Financial Reporting Certificate Program (1/2561), Federation of Accounting Professions
- Keep pace with standard of financial reporting adopted in 2019, the Federation of Accounting Professions
- Keep pace with Thailand 4.0 with the e-Tax Invoice & Receipt, Revenue Department.
- Orientation course for chief accounts focusing on financial reporting to federation of accounting profession
- Preparation of consolidated financial statements and measuring of fair value of assets, the Stock Exchange of Thailand
- Draft financial reporting standards, Financial Instrument Group (TFRS9, TFRS7 and TAS32) Federation of Accounting Professions
- Focus Group seminar, drafting of Financial Reporting Standard No. 15, Subject: Income from contracts, made with customers, Federation of Accounting Professions
- Focus Group Seminar, drafting of Financial Reporting Standard No. 16, Subject: Contract of Leasing, Federation of Accounting Professions
- Prepare for the preparation of changes in financial reporting standards about financial instruments, the Stock Exchange of Thailand
- Technique of analysis and risk management of investment projects to create added value for the business sustainably, the Stock Exchange of Thailand
- Create understanding of new draft financial reporting standards, TFRS16, Federation of Accounting Professions
- Guidelines for tax invoices and new law, E-tax invoice, Federation of Accounting Professions
- Thai tax reform guidelines and preparing to cope with E-Payment, Chulalongkorn University Alumni Association
- Digital Age Tax, what accountants must prepare, Dharmniti Training and Seminar Co., Ltd.

Other courses

- Samanthi Course, Institute of Power of Mind, Class 37
- Advanced Meditation Course, Institute of Power of Mind, Class 2
- Development of trainers in the workplace, Office of the Vocational Education Commission
- Certificate in Investor Relation 2016



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Training in 2019

- Impact of new financial reporting standards regarding revenue from contracts made with customers (TFRS 15) and lease contract (TFRS 16) on the preparation of financial reports of listed companies (Class 2), the Stock Exchange of Thailand
- Transfer Pricing Year 2019, the specifying of transfer pricing between related companies, NYC Management Company Limited
- Method of submitting financial statements of the year 2019 through DBD e-filing V.2, Class 4, Dharmaniti Seminar and Training Company Limited
- Train the Trainer Happy Money Happy Retirement, Stock Exchange of Thailand
- Standardization of ISO 9001: 2015, Quality Management System, SGS (Thailand) Company Limited
- Standard of financial report, Re: Lease Agreement for TFRS 16 & TAS 17, Accounting Management Company Limited
- Insight Financial Management to enhance business capability, through professional financial management, Stock Exchange of Thailand
- Accounting for financial instrument, 75 CPE Company Limited
- TFPA Wealth Management Forum 2019, Financial Planners Association
- Financial Modeling Using Excel, Asia Business Connect Company Limited
- Preparation of financial statements for accepting the capital market auditor, class 3/62, Course 1, Federation of Accounting Professions in the royal patronage
- TFRS 9 Financial Instruments (Application principles and examples for understanding) the new course of the year 2019, Dharmaniti Seminar and Training Company Limited.

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. High rank executives' remuneration

The Board of Directors together with the Nomination and Compensation Committee jointly evaluate the President's performance, by considering the performance evaluation form, including considering from the business performance of the company, the implementation of the work according to the policy as received from the Board of Directors, combined with the situation of overall economy and society. The information will be used to determine the appropriate compensation for both the short-term and long-term of the President and high rank executives of the company, by looking at the current data compared to past data in various factors as follows:

1. Performance result of the business, considering from percentage of EBITDA ON OPERATING ASSETS, which will set goals to set the percentage of EBITDA every year for evaluation and comparison.
2. Comparing of the performance result of the business in the same industry.
3. Ability to develop business and improve operational efficiency each year.
4. In consideration of long-term compensation, there is determining of the business growth that will be set in the 3 years to 5 years with the target growth rate, set as the criteria for consideration, including the performance result of the business by using EBITDA ON OPERATING ASSETS as the target.

Compensation to High rank executives

	2019			2018			2017		
	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 and Bonus			53,257,213.50			46,373,000.00			37,374,279.80

Remuneration of the executives Remuneration of the executives is in accordance with the principle and policy provided by the board of directors with linkage to the operating results of the company and performance assessment on each executive.

2. Remuneration of directors 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.



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3. Payment of remunerations

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

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

3.3 Bonus paid on a annual basis dependent of the performance of the company

In addition, the non-monetary remuneration is also provided to the directors and executives, that is, liability insurance has been arranged to insure the directors and officers (D&O) for a total amount of 100 million Baht.

Compensation to Directors

	2019			2018			2017		
	Per meeting	Per month	Compensation in Baht	Per meeting	Per month	Compensation in Baht	Per meeting	Per month	Compensation in Baht
<u>Director Compensation and Director Fee(each)</u>									
- Assoc. Prof.Dr.Somjai Phagaphasvivat	7,500	65,000	835,000	5,000	65,000	805,000	5,000	65,000	800,000
- Mr. Somkuan Watakeekul	7,500	50,000	700,000	5,000	50,000	625,000	5,000	50,000	625,000
- Mr. Somkual Musig-in	7,500	50,000	700,000	5,000	50,000	625,000	5,000	50,000	625,000
- Mr. Siwa Sangmanee	7,500	50,000	685,000	5,000	50,000	625,000	5,000	50,000	625,000
- Mr. Loyleuan Bunnag	7,500	50,000	707,500	5,000	50,000	625,000	5,000	50,000	625,000
- Mr. Apai Chandanachulaka	7,500	50,000	490,000	-	-	-	-	-	-
- Dr. Narong Thasnanipan	7,500	-	52,500	5,000	-	25,000	5,000	-	20,000
- Mr. Zaw Zaw Aye	7,500	-	52,500	5,000	-	25,000	5,000	-	25,000
- Miss Nutthawan Thasnanipan	7,500	-	52,500	5,000	-	25,000	5,000	-	25,000
- Mr. Padet Rujikhajorndej	7,500	-	52,500	5,000	-	25,000	5,000	-	25,000
- Mr. Kamol Singtogaw	7,500	-	52,500	5,000	-	25,000	5,000	-	25,000
- Mr. Nutthapan Thasnanipan	7,500	-	52,500	5,000	-	20,000	5,000	-	20,000
- Mr. Nutthapon Thasnanipan	7,500	-	52,500	5,000	-	20,000	5,000	-	20,000
- Mr. Nirandorn Akrapitak	7,500	-	52,500	5,000	-	10,000	-	-	-
Total			<u>4,537,500</u>			<u>3,480,000</u>			<u>3,460,000</u>
<u>Bonus for non-executive directors.</u>									
- Assoc. Prof.Dr.Somjai Phagaphasvivat			195,000			130,000			65,000
- Mr. Somkuan Watakeekul			150,000			100,000			50,000
- Mr. Somkual Musig-in			150,000			100,000			50,000
- Mr. Siwa Sangmanee			150,000			100,000			50,000
- Mr. Loyleuan Bunnag			150,000			100,000			50,000
- Mr. Apai Chandanachulaka			-			-			-
Total			<u>795,000</u>			<u>530,000</u>			<u>265,000</u>

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.

● Good governance ●

The Board of Directors focuses importance of compliance with the principles of good corporate governance, in order to increase confidence for shareholders, investors and all related parties, by determining the review of corporate governance policies and complying with the policy at least once a year, which the company has disclosed the corporate governance policy of the company on the company website For external communication and disseminated to employees within the organization to be aware of good corporate governance and encourage employees to participate in the implementation of such policies.

The Securities and Exchange Commission has issued good corporate governance principles for listed companies which has set the practical principles for the committee, in 8 main items, as follows:

1. Recognize the role and responsibility of the Board of Directors, as the organization leader that creates value for the business sustainably.
2. Determine the objectives and main goals of the business which have been carried out for sustainability.
3. Strengthen the Board of Directors effectively.
4. Recruiting and developing high-level executives and personnel management.
5. Promote innovation and doing business with responsibility.
6. Ensure that there is an appropriate risk management system and internal control.
7. Maintain financial credibility and disclosure of information.
8. Support participation and communication with shareholders.

To be a guiding principle for the Board of Directors to be used to improve the governance of the business for sustainability, the Board of Corporate Governance, Social responsibility and sustainable development Meeting No. 1/2019 and No. 2/2019, have considered and reviewed the policy of corporate governance of the company, by using practical principle determined primarily, to be adapted as appropriate with the business of the company to have the best operation and determine additional procedures that the company should use for improving the company for appropriateness with the condition of the company and the board considered and reviewed the appropriateness of using CG Code, to be adapted at least one time per year.

Governance policy

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

1. Right of Shareholders: Rights and fair treatment

The Board of Directors has the policy for shareholders to collaborate and suggest for the Company's operations, we therefore provide the rights for shareholders e.g. the right to getting sufficient information, be in time with appropriate to make decision, to attend and vote in the shareholders meetings to decide the Company's major policy changes, to elect and remove member of the board, to approve external auditor appointments and to receive shard profits. Shareholders are the owners of the company. They control the Company by appointing the board of directors to act as their representatives.

Shareholders are eligible to make decisions on any of significant corporate changes including to be furnished with sufficient Company's operation information for decision making. Moreover, shareholders own the rights to attend shareholders meetings to vote on director election/ removal, appoint the external auditor and the issues to have effects to the Company such as dividend allocations, amendments to the company's articles of association or the company's bylaws, capital increases of decreases, and the approval of extraordinary transactions, etc.

1. The Company shall provide the information on the date, time, venue and agenda items with complete support data, and the issues for decision to all shareholders at least 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.

6. In the Meeting of Shareholders, the company will do Live video, through Facebook to open opportunity for shareholders who cannot attend the meeting, can know the atmosphere of the meeting. This will start in the ordinary meeting of shareholders of the year 2019.

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.



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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/discard 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.
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 ad opted 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 2019, the company has arranged the general meeting of shareholders on 25 April 2019 at 9.00 A.M. at the Meeting room, floor 3, 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 13 directors for AGM for the year 2019, including the chairman of the audit committee, the chairman of the corporate governance, Social responsibility and sustainable development Committee, the chairman of the Risk committee and the chairman of the recruitment and 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.
- 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.



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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.
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.



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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. Respecting for human rights and treating labor fairly

The company recognizes the importance of all employees that are very important resource that will lead the company to achieve its mission. Therefore, the company has established policies and guidelines as follows:

Human Resource Management Policy

The company has clearly specified personnel management policies, specifying the treatment of employees with fairness, impartiality and equality, respecting the right of employees within the framework of the company's work rules, labor laws and good traditions in society and human rights principles. The company requires all employees at all levels to attend the meditation teacher training program of Power Conservation Institute of Reverend Father Wiriyang Sirintharo, to train employees' mind to be mindful at all times. The company provides appropriate compensation and welfare, in making fair labor contracts. There is development of knowledge and potential to work better. There is a career path for progress. There is clear measurement and evaluation. Also the company allows employees to participate and express opinion through several channels and activities of the company.

Policy on non-violation of human rights of employees

The company is aware of the treatment towards employees, by respecting the basic principles of human rights as required by law. There should not do or take any action in conducting business in violation of human rights, not discriminating against any person due to similarities or differences in race, religion, gender, age, education or any other matters.

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 2018 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.
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. Policy on safety, occupational health and environment

Safety policy is the policy that the company considered as a very important policy. The company believes that the success policy must come with the safety of all employees and participants. The company establishes a committee of safety, occupational health and environment, to plan a safety project. There is project development and a concrete follow-up. There is a risk assessment and prevention, investigation and accident reporting system for improvement, safety supervision and inspection Including training to give awareness on safety and there must be a safety report every month for safety planning.

The safety statistics and information are made, as follows:

Year	Total accidents	The effect was occurred to:		
		Persons	Properties	Outside (Persons, properties)
2017	62	41	9	12
2018	97	59	18	20
2019	78	55	11	12

7. Responsibility to communities and society

The company conducts business with awareness of responsibility in conducting business with responsibility to the community and society, economy, environment, and good corporate governance. Based on the fact that if society is strong, it will lead to the sustainability of business growth. The company has set a policy to conduct business with social responsibility in accordance with international guidelines and according to the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

In implementing of the guideline, conducting business policies with social responsibility which starts by identifying the company's stakeholders, including evaluating the expectations or needs of each stakeholder group towards the company through agencies that perform duties directly related to each stakeholder group. After that, the information obtained was evaluated as follows:

Economy

The company is committed to be the leading company making eco-friendly piles and retaining walls in ASEAN which can deliver work on time with specified quality.

Society

- The company attaches importance to education. The company has always supported education with students at the bachelor's degree level, master's degree, and doctorate level in engineering related fields for all the time throughout. In the year 2019, the company gives scholarship to King Mongkut University of Technology Lat Krabang and mahidol University including making MOU with educational institutions in order to deliver students at the vocational certificate or higher vocational certificate level to do internships with the company for 1 year, so that the company will be a source of technical staff to work with the company. In addition, the company also manages staff in the office to do a short meditation for 5 minutes, 3 times a day every day to continuously develop the mind

- The company attaches importance to developing the minds of people to be mindful and tolerant, by using meditation, in which the company opened the company as a meditation teacher branch of Power Conservation Institute of Reverend Father Wiriyang Sirintharo, Branch 47, for the communities around the company and the company's employees to have come to study. Currently, there are all employees at the head office to have completed the meditation teacher courses.

Environmental aspect

The company is aware of operations focusing on safety and the environment. The company has established policies, guidelines, monitoring and development regarding safety and the environment strictly. The company imparts knowledge and training in performing duties in every process to comply with the work standards related to safety and the environment, including supporting environmental preservation guideline in each project area

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

Company directors, executives and employees must perform their duties with honesty and without corruption and dishonesty of all kinds, whether directly or indirectly; they have to strictly abide by and perform according to the policies and ethics of the company strictly.

Guidelines of the year 2019

- Receiving or giving gifts

Receiving or giving gifts on behalf of the company to those involved in the business of the company according to social customs or etiquette that should be followed, to congratulate, or as souvenir on several occasions shall strictly comply with the laws, rules and policies specified strictly, in order to ensure that receiving or giving a gift does not create conflict of interest, not result in relief, or negligence, or compensation in business agreement, or inappropriate business practices, it will not lead to corruption or dishonesty.

From 2017 onwards, the company announced to stop receiving and giving new year gifts to customers / partners / government agencies / financial institutions / those involved with the company during the New Year festival, in order to show the intention to adhere to transparent business operation.

- Charitable donations

Donations, or support to public sector or private sector agencies shall be done transparently, not violating moral, or ethics, shall be done lawfully and complying with the policies and regulation of the company in such matter strictly; there shall be approval in accordance with the steps under the regulation of the company

- Entertainment cost

To provide entertainment in connection with the business operation of the company to individuals or any working unit, the entertainment cost shall be transparent and can be checked according to related regulations and is going to create good relations or expression of social etiquette, not to make conflict of interest, not create result in relief, negligence, or benefits in a business agreement, or inappropriate business operation and lead to corruption or dishonesty.

Approval of entertainment cost shall comply with regulations strictly, there is making of report for consideration and approval in accordance with the regulations of the company.

Training and Communication

In 2019 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 policies stipulated in this code of conduct handbook strictly, non-compliance is voluntary, do not refuse on acknowledgement based on established guidelines.

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

Principle of good governance for company registered in the year 2019

The board has arranged a meeting for reviewing and understanding about the good governance principle for the company registered in the year 2019, in the Board of Corporate Governance, Social responsibility and sustainable development Meeting No. 1/2019 and No. 2/2019

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

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 14 directors broken down into

Executive Directors 8 individuals

Non-Executive Directors - individual

Independent Directors 6 individuals

Non-Executive directors and independent directors combined accounted for 43% 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 2019, there were 7 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 2019 for 38 times and to participate in the activity “Listed company meeting with investors or Opportunity day” for 4 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 2019, there was related party transaction which might create situation of conflict of interest reported by the Auditor within Note 5, page 24-27 to Financial Statement.

● Operating results and financial position ●

Overview of the past operations

In 2017 the overall picture of past construction seemed to be down due to the problem on the payment of the investment by the public sector, and the downturn situations of the real estate sector. Meanwhile, in the foreign country of Myanmar in 2017 started to get better. Even though the overall picture of construction was reduced, but the operation results enabled the company group to profit more from the increased operations over 2016 by 35.25 percent. In 2017 it had the net profit of 212 million Baht.

In 2018 the construction situation deemed to have a trend of increased expansion in accordance with the plans on development of the state infrastructure. Moreover, the neighboring countries were in the period of accelerating the country, so there was an expansion in the infrastructure continuously, while the jobs in Myanmar in 2018 were rather good. It made the group profited from the increased operations from 2017 by 74.61 percent, with 2018 had a net profit of 368 million Baht.

In 2019 the industrial situations of construction trended to expand not too much due to the change to a new government. Moreover, the neighboring countries grew in line with the economy and the urban expansion. In Myanmar in 2019 the operations were rather good, so the group profited from the increased operations over 2018 by 11.22 percent, with 2019 the net profit was 410 million Baht.

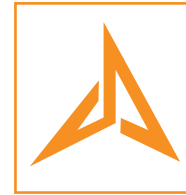
Market Share

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

Market share	2017	2018	2019
Market value from research (million baht)	5,890	6,162	9,141
Share of the Company (percent)	31	29	30

Note : The data from the Ministry of Commerce has the year 2017.

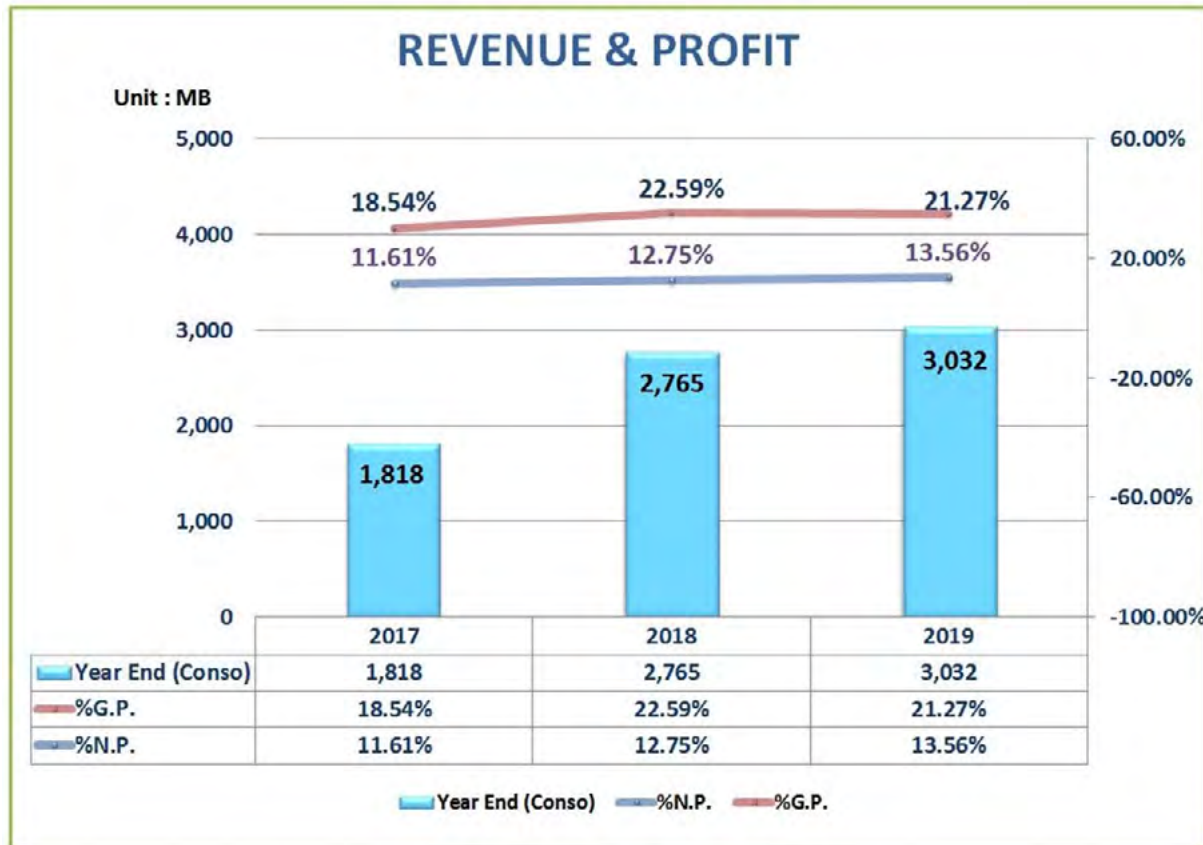
In collecting this information, it was found may have a discrepancy on the income base, because the way of classifying the jobs, some may count only for the labor and machine costs, so the income was lower. However, if the contract included the labor, machine and main material cost, so the job value was higher. Meanwhile, the ratio of contracting the jobs in 2017 to 2019 accepting only the labor cost were 38, 48 and 41 percent respectively, while those included the main materials accounted for 58, 52 and 59 percent respectively. Nevertheless, if in anything there was labor contracts included the main materials at a high rate, so the job value would be higher; thus, the overall market values collected as guidelines only.



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1. Analysis of the operating results



(A) Incomes from the contracted work

The revenues of the group consisted of the incomes from the contract such as from the services of Bored Pile, Diaphragm wall, civil structural construction, foundations, pile testing, other services and beyond, e.g. profits from selling assets, received interest and profits from the currency exchanges, etc.

In the year 2018, the Group of Companies had the main revenue from service 2,765 million Baht, consisting of revenue from bored piles and diaphragm wall (only labor income), for 42%. The income for work of bored pile and diaphragm wall (including the material cost) for 52% and income from overseas jobs for 6%.

The revenue in 2018, compared to 2017, increased by 939 million Baht, 51.41%, coming from receiving work with wages and main materials in 2017, at 58% of the main income. In the year 2018, the revenue was 52 percent of the main income.

In the year 2019, the Group of Companies had the main revenue from service 3,032 million Baht, consisting of revenue from bored piles and diaphragm wall (only labor income), for 38%. The income for work of bored pile and diaphragm wall (including the material cost) for 58% and income from overseas jobs for 4%.

The income in 2019 compared with 2018 increased 267 million Baht or 9.64 percent from the job on the labor cost included the main materials in 2019 at 58 percent of the main income, while in 2018 at 51 percent of the main income.



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Revenue from source revenue

	<u>2017</u>	<u>2018</u>	<u>2019</u>
From government sector (percent)	36	45	29
From private sector (percent)	64	55	71

(B) Cost of contract work and Administrative Expense

Cost of contractual work

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

Cost of employment work in 2018 was 2,140 million Baht, compared to 1,493 million Baht in 2017, increase of 43.40% resulting from the increase in receiving the jobs with wages and main materials from 2017, for 33% of the main revenue from services.

Cost of employment work in 2019 was 2,387 million Baht, compared to 2,141 million Baht in 2018, increase of 11.52% resulting from the increase in receiving the jobs with wages and main materials from 2018, for 25% of the main revenue from services.

Administrative Expenses

Administrative expenses of 2018 were 193 million Baht, compared to 2017 to be equal to 137 million Baht, an increase of 40.67 percent. The increase was due to expense of debt reserve and category reclassification.

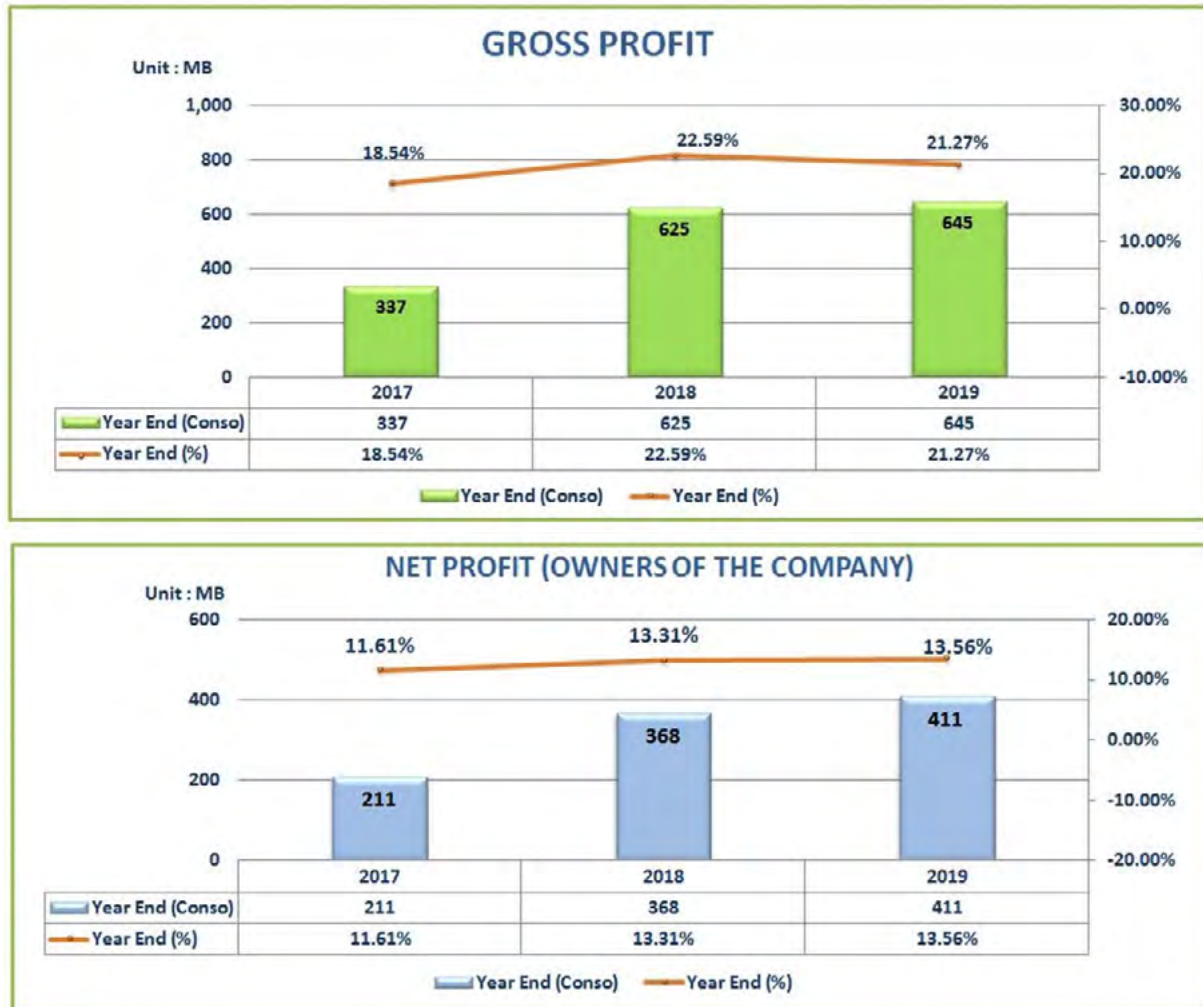
Administrative expenses of 2019 were 158 million Baht, compared to 2018 to be equal to 202 million Baht, an increase of 22.16 percent. The decrease was due to expense of debt reserve and category reclassification.

Bad Debt

In the year 2018, the company set up an allowance for bad debt and still received payment from the debtor who set aside as reserve for 29.36 million Baht.

In the year 2019, the company set up an allowance for bad debt and still received payment from the debtor who set aside as reserve for 6.98 million Baht.

(C) Gross and Net Profit



In 2018 the company had the gross profit of 625 million Baht, compared with 2017 the gross profit of 334 million Baht, an increase of 291 million Baht, or an increase of 87.20 percent. It resulted from the contract in the project real estate development by the private sector and an infrastructure.

In 2019 the company had a gross profit of 645 million Baht compared with 2018 with the gross profit of 625 million Baht, an increase of 20 million Baht, or an increase of 3.21 percent.

It resulted from the contract in the project real estate development by the private sector and an infrastructure.

In 2018 the company had a profit from the parent company at 368 million Baht compared to 2017 with a profit by the parent company at 211 million Baht, an increase of 157 million Baht or 74.61 percent, which resulted from 2018 had an increase of the gross profit.

In 2019 the company had a profit from the parent company at 410 million Baht compared to 2018 with a profit by the parent company equaled to 368 million Baht, an increase of 42 million Baht, or an increase of 11.22 percent. It resulted from 2019 had an increase of the gross profit.



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(D) Investment in machinery

The investment in the year 2018 amounted to 663 million Baht. The purchase of crane, drilling machines and diaphragm wall machine, which was the purchase to replace the old machines and to support the expansion of work.

The investment in the year 2019 amounted to 442 million Baht. The purchase of crane, drilling machines and diaphragm wall machine, which was the purchase to replace the old machines and to support the expansion of work.

(E) Shareholders' Returns

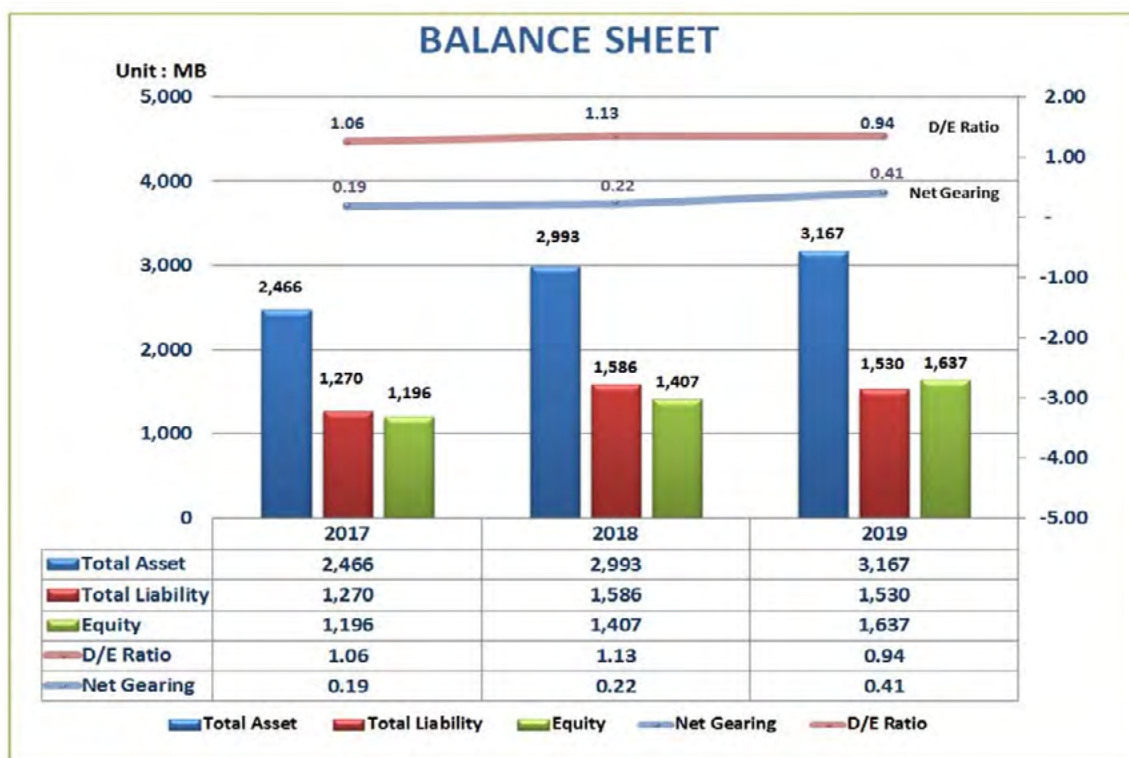
Due to increased operating results, therefore, it was increasing of the total profit.

In the year 2018, the Group had a return to shareholders of 25% due to increased operating result, thus increasing the total profit.

In the year 2019, the Group had a return to shareholders of 25% due to increased operating result, thus increasing the total profit.

2. Analysis of Financial Status

2.1 Total Assets and Liabilities



Asset

Total assets in 2017, 2018 and 2019 were equal to 2,466 million baht 2,993 million baht and 3,167 million baht.

In the year 2018, compared to 2017, the amount increased by 527 million Baht. The current assets increased by 80 million Baht due to temporary investments of 81 million Baht and the unbilled income increased by 40 million Baht. And advance payment for wages and purchases of 12 million Baht and in non-current assets increased by 451 million Baht due to the increase of land Building and equipment increased by 509 million Baht and non-current assets increased by 20 million Baht due to deferred tax assets.

In 2019 compared with 2018 had an increased asset of 174 million Baht, but the working capital was reduced by 50 million Baht due to the cash and its equivalent of 156 million Baht, the temporary investment of 48 million Baht and the unrealized income of 151 million Baht. In addition the wage prepayment and goods purchase of 12 million Baht. On the non-working capital increased 224 million Baht due to an increased value of the land, building and equipment of 156 million Baht, and an increase of the guarantee by 55 million Baht of the taxable income waiting for clearance of 18 million Baht.

Liability

The total liabilities of 2017, 2018 and 2019 equaled to 1,270, 1,586 and 1,531 million Baht respectively, which in 2018 and 2019 were at the trade creditors and other creditors as well as the long-term loans mostly. The trade creditors would increase or decrease depending on the ratio of contracting the job. If in any year that has the ratio of contracting the labor cost, included the main materials higher, the trade creditor increases, but if the labor contracts are higher, so the trade creditors declined proportionally.

In the year 2018, compared to 2017, the amount of liabilities increased by 316 million Baht, account payable and other current creditors increased for 182 million Baht. Part of long-term loan from financial institutes to be due for payment within one year for 78 million Baht. Money receiving in advance from creditors and construction income receiving in advance increased for 65 million Baht. Another amount of 13 million Baht was paid in installment creditor for machine cost.

In 2019 compared with 2018 had the liabilities reduced by 55 million Baht, the overdraft (O/D) and the short-term loans from the financial institution increased by 170 million Baht, the trade creditors and other working creditors decreased by 224 million Baht. It also had the long-term loans from the financial institution become due within one year by 32 million Baht, the prepayment from the contractor and the construction reduced by 72 million Baht, while another 25 million Baht is for machine installments.

Long-Term Liabilities

In the year 2018, the amount of money increased because it was the money from bank loan and increased leasing for machines ordered and purchased for supporting the work expansion.

In 2019 the debts were reduced because there was a loan repayment from the bank and increased leasing of the machines ordered to support the job expansion.

Shareholders' Equity

On the equity in 2017, 2018 and 2019 were 1,196, 1407 and 1,637 million Baht, an increase of each year due to the continuously operating profit.

Liquidity

In 2018 the group had the debt-to-equity ratio (D/E ratio) at 1.13 times, while in 2017 at 1.06 times, an increase because in 2018 had a purchase of the machines, so the increased debts. However, it is still stayed within the criteria because the contract with the lenders had to maintain the debt level not to exceed 1.5 times and in the ratio of the net gearing of 2018 equals to 0.22 times, and in 2017 was 0.19 times. It shows that the liquidity on the bank or financial institution loans had a little higher ratio, but still maintained the norm.

In 2019 the group had the D/E ratio at 0.94 times, while in 2018 at 1.13 times, a decrease because in 2018 some debts were paid off, so the reduced debts. Nevertheless, it was within the criteria of the contract to maintain the debt level not exceeding 1.5 times at the ratio of net gearing of 2019 or 0.41 times and in 2018 at 0.22 times. It shows that the liquidity on the loan from the bank or financial institution at a little higher rate, but still within the range.

Source of Capital

In 2017 the group had the conglomerated liabilities of 1,270 million Baht; in current liabilities of 1,063 million Baht and long-term debts at to 207 million Baht. The sources of its working capital came from the financial institutions and trade creditors.

In 2018 the group had the conglomerated liabilities of 1,586 million Baht; in current liabilities of 1,200 million Baht and long-term loans equal to 386 million Baht. The sources of its working capital came from the financial institutions and trade creditors. In 2018 there was re-classification of the items.

In 2019 the group had the conglomerated liabilities of 1,531 million Baht; in current liabilities of 1,080 million Baht and long-term loans at 451 million Baht. The sources of its working capital came from the financial institutions and trade creditors.

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

In Year 2019, The company and its subsidiaries paid audit fee to Bunchikij Co., Ltd..as follow:

Companies	Audit's name	Audit's Fee 2018	Audit's Fee 2019
Seafco Public Company Limited	Mr. Thanakorn fakfaipol	1,650,000	1,700,000
Seafco Construction Co., Ltd	Mr. Thanakorn fakfaipol	90,000	100,000
Seafco Intertrade Co.,Ltd	Mr. Thanakorn fakfaipol	300,000	300,000
Total		2,040,000	2,100,000
Other Service (Non audit fee)		-	-
Total		2,040,000	2,100,000

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

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

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

The financial statements and the consolidated financial statements of the company and its subsidiaries have been examined by the auditor of the company, Bunchikij 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 2019 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 Chief Executive Officer

Report of the Audit Committee

The Audit Committee of Seafco Public Company Limited, consists of 5 qualified independent directors. Mr. Siwa Sangmanee is the Chairman of the Audit Committee. Mr. Somkuan Watakeekul, Mr. Somkual Musig-In, Mr. Loyleuan Bunnag and Mr. Apai Chandanachulaka who have been appointed as audit committee members. From the Annual General Meeting of Shareholders for the year 2019 on 25 April 2019, the proportion of the current audit committee, in percentage of 35.71% of the total of 14 directors of the Board of Directors.

The audit committee performs its duties as assigned from the Board of Directors, according to the regulations of the Stock Exchange of Thailand and the charter of the audit committee. The audit committee re-examines for the company, so that the company has good corporate governance; the company has complying with the laws and regulations of the Stock Exchange of Thailand and the company has an efficient and effective internal control and internal audit system, has sufficient risk management, has development of information technology systems used in management and has protection against corruption.

In the year 2019, the Audit Committee held total 6 meetings, the Audit Committee joined in the meeting to constitute the quorum every time, consisting of:

- There were 4 meetings with the auditor and the internal auditor regarding the financial statements and the internal audit report.
- There was 1 meeting to assess the adequacy of the internal control system.
- There was 1 meeting to summarize important matters for the audit of financial statements with the auditor.

The Audit Committee has evaluated the performance according to the guidelines of the Stock Exchange of Thailand in group and individual; there is evaluation result of how well that action has been taken.

The summary of the performance and the opinion of the Audit Committee are as follows:

1. Review financial reports

The Audit Committee together with the auditor review the interim financial information and financial statements for the year 2018, the Board of Directors had the opinion that the financial reports are in accordance with financial reporting standard and have disclosure of important information fully and appropriately and complying with the opinion of the auditor in the financial report in the year 2019, the audit committee held five meetings with the auditor without the management team.

2. Review the internal control system

The Audit Committee together with the Internal Audit Department review the company's internal control system by evaluating the adequacy of the internal control system according to the criteria of the Stock Exchange of Thailand. The Committee has the opinion that the internal control system of the company is appropriate and actually exists.

3. Review the risk management

The Audit Committee together with the management and internal audit department review the risk management. The company has assessed the risks according to the risk management plan in accordance with the business plan of the business and the company managed and reduced risks to an acceptable level. The Audit Committee has the opinion that the risk management of the company is effective and efficient.

4. Review the internal audit system

The audit committee has re-examined the internal audit plan and the operation of the internal audit department so that it complied with international standards and supervise so that there was the operation of the internal audit charter, to cover all systems and risk topics. The audit committee had the opinion that the internal audit department had independence and fairness in the access to audit in every work system.

5. The Audit Committee reviews the compliance with laws and regulations of the Stock Exchange of Thailand, connected transactions and transactions that may have conflicts of interest

The audit committee has re-examined the compliance with the law, government regulations and interfaced transaction by following up on the audit report from the Internal Audit Department and disclosed in the notes to the financial statements from the auditor, the audit committee had the opinion that the company has appropriately complied with the law. The interfaced transaction proceeds reasonably, realizing the highest interests of the company.

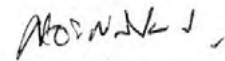
6. Review the corporate governance and prevention of corruption

The Audit Committee has reviewed the performance of corporate governance of the Board of Directors and anti-corruption policy, the Board of Directors has the opinion that the Board of Directors has complied with the business ethics, realizing the good governance principles and focusing importance of anti-corruption.

7. To consider and select, propose and appoint auditors

The Audit Committee considers and approves the appointment of Mr. Thanakorn Fakfaipol, Bunchikij Co., Ltd. as the auditor for the year 2019.

In summary, from the performance of duties according to the charter of the audit committee and the assigned duties, the audit committee is of the opinion that Seafco Public Company Limited has good corporate governance, has the financial statements which were prepared appropriately in accordance with the financial reporting standards and comply with the law and with the regulations of the Stock Exchange of Thailand, the company has sufficient risk management and has an internal control system and effective internal audit.



(Mr. Siwa Sangmanee)

Chairman of the Audit Committee

Report of the board of executive directors 2019

The Board of Executive Directors of Seafco Public Company Limited consists of 8 executive directors as followed accordingly;

- | | |
|-------------------------------|--------------------|
| 1. Dr. Narong Thasnanipan | President |
| 2. Mr. Padej Rujikhajorndej | Executive Director |
| 3. Mr. Kamol Singtogaw | Executive Director |
| 4. Mr. Zaw Zaw Aye | Executive Director |
| 5. Miss Nutthawan Thasnanipan | Executive Director |
| 6. Mr. Nutthapan Thasnanipan | Executive Director |
| 7. Mr. Nutthapon Thasnanipan | Executive Director |
| 8. Mr. Nirandom Akrapitak | Executive Director |

In 2019, The Board of Executive Directors has performed according to the duties and responsibilities commissioned by the Board of Directors to review policy, business aspects, and business strategy including financial and investment plan, operating plan, and other management plan, to ensure that the Company's operation is efficient and in compliance with law, and to ensure that the company's operation complied with good corporate governance, and to comply with the Notification of the Stock Exchange of Thailand including the best practices defined by the Stock Exchange of Thailand as well. The Board of Executive Directors convened on a weekly Meetings, of which main activities can be summarized as followed;

1. Define policy, business aspects, and business strategy

The Board of Executive Directors under the supervision of the President gave the policy to ensure that the Company should be carefully operated for the changes through 2019. The company assured that we will continually perform business with fair and equal in compliance with moral principle basis.

2. Review business plan

The Board of Executive Directors supervised and reviewed business plan, financial and investment plan, and management plan that proposed by the management to ensure that all plans are suitable for the business and compliance to the good corporate governance as well.

3. Monitor business policy and business strategy

The Board of Executive Directors monitored and reviewed the operations according to policy, business strategy, and other management factors as planned as usual and in the past year, the Board of Executive Directors mainly concentrated on company's active projects in order to ensure that the company's operation will perform efficiently and it can be reported to the Board of Directors adequately and accurately as well.

4. Provide suggestions and recommendations

The Board of Executive Directors recommended, suggested, and assigned the scope of business operations including supervised and reviewed financial and investment plan and budget for Vice President accounting and finance department along with other related transaction that will be bind to the company. In addition, the board of executive directors provided suggestions for entering into any tender offer or investment in new projects as well.

5. Supervise financial plan and evaluate business operations

The board of executive directors supervised and reviewed financial and investment plan including the approval of both opening and closing bank's account with in financial institutions and banks, In addition, the board of executive directors evaluated the performances of business operations to determine remuneration for the management in both Executive Vice President levels and upper.

The Board of Executive Directors has performed its duties fully in accordance with its charters approved by the board of directors and has its opinion that the company's performance has implemented its good corporate governance practice basis towards its business operations, financial, marketing and other related management factors with efficiency in accordance with its policy and business in compliance with the code of conduct and rules, regulations, and related laws, thus, in conformity with the notification of the office of the Securities and exchange commission (SEC) and the Stock Exchange of Thailand (SET)

Independent Auditor's Report

To the Shareholders and the Board of Directors of Seafco Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Seafco Public Company Limited and its subsidiaries (the Group), and of Seafco Public Company Limited (the Company), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2019, and the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, including a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Seafco Public Company Limited and its subsidiaries and of Seafco Public Company Limited, respectively, as at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). 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 Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. 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 matter is the matter that, in my professional judgment, was of most significance in my audit of the consolidated and separate financial statements of the current period. The matter was 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.

Key audit matter	How the matter was addressed
<p>Recognition of revenue from construction</p> <p>The Company has operated construction business and recognized construction revenues based on the percentage of completion which calculated from actual construction cost incurred, divided by total estimated construction cost. The process of determining state of completion each project requires the management and project manager to apply significant judgement in considering carefully to estimate project cost for each project including the trend of changes in construction price, relating to construction, the probability of construction work delayed, and barriers to construct which may cause the Company's burden. In 2019, the Group and the Company had construction revenues amounted to Baht 3,029 million and Baht 2,914 million.</p> <p>Therefore, key audit matter is the recognition of contract revenues by percentage of completion, estimate of total construction cost of each project to calculating percentage of completion under contract and other provisions. These transactions impact to the Group's and the Company's financial statements significantly.</p> <p>Accounting policies were disclosed in notes 3.17 and 4.</p>	<p>The key audit procedures include :</p> <ul style="list-style-type: none"> ● Understand the process of construction contracting, hiring subcontractors about a details of contract, estimate of construction cost, estimate of rectification cost in the period of guarantee work, payment and process of accounting records, authorization including related internal control procedures. ● Perform the operating effectiveness testing over the internal control procedures related to estimating construction costs, procurement of construction materials, payment of labour, and hiring cost of subcontractors, etc; ● Perform substantive testing as follows: <ul style="list-style-type: none"> - Review the terms of construction contracts and variation order occurring during year; - Review the method used by the management to monitor and consider the reasonableness of the evaluation of state of completion, revision of estimating construction costs, estimation of cost of rectification in the period of guarantee work, authorization and sampling test on related documents; - Test calculating percentage of completion of each project; - Test the accuracy of purchasing construction cost against supporting documents - Observe the projects in progress at the year-end including inquiry of engineers / supervisors who was responsible, and understand the approach used in assessing the stage of completion of work. - Compared the percentage of actual completion work and engineering report of project manager and consider the reasonable of discrepancy.



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Key audit matter	How the matter was addressed
<p>Allowance for doubtful accounts</p> <p>The adequacy of allowance for doubtful accounts is one of key matters that the management is required to make significant judgement in determining the recoverable amount of trade accounts receivable, advance payment to contractors, unbilled receivables and retention receivables (“account receivable”), which is an inherently uncertainty involving various factors including the current status of account receivables, the payment histories and the effect from economic fluctuations. Also, as at 31 December 2019, the Group and the Company had those account receivables totaling Baht 1,146.54 million and Baht 1,053.14 million, respectively, and allowance for doubtful accounts totaling Baht 109.23 million and Baht 79.36 million, respectively.</p> <p>Accordingly, I pay particular attention to the adequacy of allowance for doubtful accounts of those receivables.</p> <p>Accounting policies and details of trade accounts receivable, retention receivables under construction contracts and unbilled construction in progress were disclosed in notes 3.4, 3.5, 8 and 9, respectively.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> ● Understand the process of accounting records, contracting, issuing invoice, authorization of transactions, debt monitoring, collection of debts, estimate of allowance for doubtful accounts and related internal control procedure; ● Review the design and implementation of such internal control procedures; ● Perform the operating effectiveness testing over the internal control procedures; ● Perform substantive testing as follows: <ul style="list-style-type: none"> - Send the confirmation of requests to trade accounts receivable and retention receivables under construction contracts at the end of year; - Verify the analytical receivables aging report of trade accounts receivable, retention receivables under construction contracts and unbilled construction work in progress to corroborate on whether each receivable was classified in the appropriated arrear period, and the method of computation of the allowance for doubtful accounts; - Verify subsequent collection from receivables after the reporting period; - Review the litigation report with respect to receivables and opinion of internal legal consultant of the Company; - Review the financial position of long-term overdue receivables based on the latest financial and other information to be necessary in order to consider the ability to make payment;

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate 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 will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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 TFRSs, 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 Group's and 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 the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the the Group's and the Company'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 TSAs 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment 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 commissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company'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 consolidated and separate 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 and the Company 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.

The engagement partner responsible for the audit resulting in this independent auditor's report



(Mr. Thanakorn Fakfaipol)

Certified Public Accountant No. 4879

Bunchikij Co., Ltd.

Bangkok

26 February 2020



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Seafco Public Company Limited and its Subsidiaries

Statements of financial position

As at 31 December 2019

Unit : Baht

Assets	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Current assets					
Cash and cash equivalents	6	62,567,882	218,497,056	12,578,561	203,015,805
Current investments	7	133,141,550	180,693,381	133,141,550	180,693,381
Trade accounts and other receivables	8	440,787,538	433,884,642	419,693,783	415,130,670
Short-term loans to related party	5.2	-	-	1,300,000	1,300,000
Unbilled receivables	9	399,127,847	247,768,980	387,368,351	217,513,458
Inventories	10	97,778,957	89,631,539	95,106,256	87,461,225
Prepayment for wages and goods acquisition		267,835	12,648,773	267,835	12,648,773
Total current assets		1,133,671,609	1,183,124,371	1,049,456,336	1,117,763,312
Non-current assets					
Bank deposits used as collateral	11	59,000,000	64,000,000	59,000,000	64,000,000
Investments in subsidiaries	12	-	-	12,549,600	12,549,600
Long-term investments	13	4,142,826	4,106,239	-	-
Investment properties	14	26,076,068	18,966,449	26,076,068	18,966,449
Property, plant and equipment	15	1,613,024,020	1,457,459,245	1,558,198,252	1,409,719,704
Intangible assets	16	3,722,390	3,484,524	3,722,390	3,484,524
Retention receivables	9	268,465,502	213,410,381	235,145,407	189,863,787
Withholding tax deducted at source		-	8,753,691	-	8,715,628
Deferred tax assets	17	48,726,607	31,060,011	48,726,607	31,060,011
Other non-current assets		10,991,051	8,737,721	7,168,737	8,737,721
Total non-current assets		2,034,148,464	1,809,978,261	1,950,587,061	1,747,097,424
Total assets		3,167,820,073	2,993,102,632	3,000,043,397	2,864,860,736

The accompanying notes are an integral part of these financial statements.

Seafco Public Company Limited and its Subsidiaries
Statements of financial position
As at 31 December 2019

Unit : Baht

Liabilities and equity	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	18	169,580,278	-	169,580,278	-
Trade and other payables	19	509,597,741	733,707,196	460,248,064	693,951,334
Short-term loans			-		-
Current portion of long-term loans financial institutions	18	119,230,761	151,504,200	108,209,457	146,558,700
Current portion of finance lease liabilities	18	61,999,895	36,175,894	61,999,895	36,175,894
Amounts received in advance under agreements and construction income received in advance	9	125,543,419	198,348,230	93,852,005	188,423,102
Retention payables - contractors		33,065,550	26,886,190	17,708,698	11,529,338
Income tax payable		14,437,940	17,338,503	12,470,607	15,614,635
Other current provisions	20	46,397,727	36,143,433	38,936,254	29,268,925
Total current liabilities		1,079,853,311	1,200,103,646	963,005,258	1,121,521,928
Non-current liabilities					
Long-term loans financial institutions	18	228,650,908	248,958,101	213,076,732	237,418,601
Finance lease liabilities	18	153,092,690	86,879,606	153,092,690	86,879,606
Employee benefit obligations	21	69,138,635	49,935,451	69,138,635	49,935,451
Total non-current liabilities		450,882,233	385,773,158	435,308,057	374,233,658
Total liabilities		1,530,735,544	1,585,876,804	1,398,313,315	1,495,755,586

The accompanying notes are an integral part of these financial statements.



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Seafco Public Company Limited and its Subsidiaries

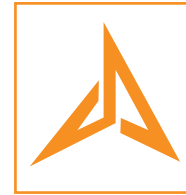
Statements of financial position

As at 31 December 2019

Unit : Baht

Liabilities and equity	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Equity					
Share capital	22				
Authorized share capital					
739,708,672 common shares of Baht 0.50 each		369,854,336		369,854,336	
672,463,018 common shares of Baht 0.50 each			336,231,509		336,231,509
Issued and fully paid - up capital					
739,707,908 common shares of Baht 0.50 each		369,853,954		369,853,954	
672,462,428 common shares of Baht 0.50 each			336,231,214		336,231,214
Premium on share capital	22	164,000,000	164,000,000	164,000,000	164,000,000
Retained earnings					
Appropriated to legal reserve	22	36,985,434	33,623,151	36,985,434	33,623,151
Unappropriated		1,055,650,415	870,474,697	1,030,890,694	838,325,810
Other components of equity		(3,481,640)	(5,546,364)	-	(3,075,025)
Total equity attributable to owners of the Company		1,623,008,163	1,398,782,698	1,601,730,082	1,369,105,150
Non-controlling interests		14,076,366	8,443,130	-	-
Total equity		1,637,084,529	1,407,225,828	1,601,730,082	1,369,105,150
Total Liabilities and equity		3,167,820,073	2,993,102,632	3,000,043,397	2,864,860,736

The accompanying notes are an integral part of these financial statements.



Seafco Public Company Limited and its Subsidiaries
Statements of Comprehensive Income
For the year ended 31 December 2019

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Revenues from construction services		3,028,630,152	2,752,242,982	2,913,692,584	2,594,426,622
Sale of construction materials		3,114,629	12,962,542	6,807,865	11,391,278
Cost of construction services and sales of construction materials		(2,386,921,514)	(2,141,349,705)	(2,293,828,012)	(2,005,184,327)
Gross profit		644,823,267	623,855,819	626,672,437	600,633,573
Others income		30,318,197	24,519,315	35,891,416	19,369,318
Administrative expenses	25	(157,515,649)	(202,369,977)	(143,909,411)	(164,412,688)
Finance cost		(23,489,038)	(16,986,983)	(22,482,243)	(21,581,572)
Profit before income tax expenses		494,136,777	429,018,174	496,172,199	434,008,631
Income tax expense	28	82,926,413	76,536,112	83,205,905	73,437,613
Net profit for the year		411,210,364	352,482,062	412,966,294	360,571,018
Other comprehensive income (loss):					
<i>Items that will be reclassified subseruently to profit or loss</i>					
Foreign currency translation differences for foreign operations		(1,010,301)	(17,301)	-	-
Total items that will be reclassified subseruently to profit or loss		(1,010,301)	(17,301)	-	-
<i>Items that will not be reclassified subseruently to profit or loss</i>					
Actuarial loss	21	(2,675,280)	(3,843,781)	(2,675,280)	(3,843,781)
Income tax of items that will not be reclassified to profit or loss		535,056	768,756	535,056	768,756
Total items that will not be reclassified to profit or loss		(2,140,224)	(3,075,025)	(2,140,224)	(3,075,025)
Other comprehensive income (expense)					
for the years , net of income tax		(3,150,525)	(3,092,326)	(2,140,224)	(3,075,025)
Total comprehensive income for the year		408,059,839	349,389,736	410,826,070	357,495,993

The accompanying notes are an integral part of these nancial statements.



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Seafco Public Company Limited and its Subsidiaries
Statements of Comprehensive Income
For the year ended 31 December 2019

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Profit attributable to:					
Owners of the Company		409,514,295	368,214,817	412,966,294	360,571,018
Non-controlling interests		1,696,069	(15,732,755)	-	-
Profit for the year		411,210,364	352,482,062	412,966,294	360,571,018
Total comprehensive income attributable to:					
Owners of the Company		406,363,770	365,122,491	410,826,070	357,495,993
Non-controlling interests		1,696,069	(15,732,755)	-	-
Total comprehensive income for the year		408,059,839	349,389,736	410,826,070	357,495,993
Earnings per share	29				
Basic earnings per share					
attributable to equity holders of the Company		0.55	0.50	0.56	0.49

The accompanying notes are an integral part of these financial statements.

Seafco Public Company Limited and its Subsidiaries

Statements of Cash Flows

For the year ended 31 December 2019

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Cash flows from operating activities					
Profit before income tax		494,136,777	429,018,174	496,172,199	434,008,631
<i>Adjustments to reconcile gain before tax to cash receipts(payment)</i>					
Depreciation and amortization		180,195,188	152,667,424	174,092,265	147,625,022
Bad debt/doubtful accounts		5,466,749	57,048,440	6,980,163	27,175,481
Allowance for impairment of investments		-	5,000,000	-	15,250,000
Provision		10,254,295	18,273,638	9,667,329	14,660,404
Unrealized gain from exchange rates		(916,689)	(3,156)	(916,689)	(3,156)
Unrealized gain on changes in investment value		(1,895,560)	(648,604)	(1,895,560)	(648,604)
Allowance for diminution in value of inventories		4,243,187	5,921,714	4,243,187	5,921,714
Gain on disposal of fixed assets		(11,117,216)	(6,595,038)	(11,108,808)	(6,600,501)
Loss on written-off fixed assets		130,134	1,225,049	118,577	925,873
Write-off other assets		20,712,508	7,246,910	19,656,012	5,886,349
Employee benefits		16,527,904	7,514,271	16,527,904	7,918,871
Interest expense		23,489,038	27,521,981	22,482,243	27,521,981
		741,226,315	704,190,803	736,018,822	679,642,065
Changes in operating assets and liabilities					
Trade accounts and other receivables		(21,440,817)	(48,800,130)	(19,596,015)	(45,142,197)
Unbilled receivable		(151,358,867)	(40,226,975)	(169,854,893)	(18,051,287)
Inventories		(12,390,605)	(769,533)	(11,888,217)	(1,249,902)
Prepayment for wages and acquisition of goods		12,380,938	(11,607,972)	12,380,938	(11,725,221)
Retention receivables		(58,502,574)	20,673,124	(48,729,071)	27,415,681
Other non-current assets		(2,253,329)	12,135,360	1,568,985	12,135,360
Trade accounts and other payables		(215,700,837)	230,131,492	(232,691,790)	226,129,848
Amounts received in advance under agreements and construction income received in advance		(80,234,181)	64,601,484	(94,571,097)	54,676,356
Retention payables - contractors		6,179,360	(633,513)	6,179,360	(505,675)
Employee benefit obligations		-	(5,453,831)	-	(5,858,431)
Cash provided by operating activities		217,905,403	924,240,309	178,817,022	917,466,597
Interest paid		(22,991,789)	(28,124,486)	(22,017,228)	(28,124,486)
Income tax paid		(102,958,515)	(61,351,987)	(103,481,473)	(58,731,996)
Net Cash provided by operating activities		91,955,099	834,763,836	53,318,321	830,610,115



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Seafco Public Company Limited and its Subsidiaries

Statements of Cash Flows

For the year ended 31 December 2019

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Cash flows from investing activities					
Increase in short-term loans		-	-	-	(1,300,000)
(Increase) decrease in current investments		49,447,391	(80,000,000)	49,447,391	(80,000,000)
Decrease in Bank deposits used as collateral		5,000,000	3,227,446	5,000,000	3,000,000
(Increase) Decrease in other long-term investments		(36,587)	(263,710)	-	-
Purchases of investment property		(7,452,166)	-	(7,452,164)	-
Purchases of property, plant and equipment		(353,497,376)	(620,472,348)	(340,249,454)	(604,826,395)
Purchases of Intangible assets		(739,570)	(194,267)	(739,570)	(194,267)
Cash received from sale of fixed assets		168,574,855	7,851,808	168,519,231	7,851,808
Net cash used in investing activities		(138,703,453)	(689,851,071)	(125,474,566)	(675,468,854)
Cash flows from financing activities					
Increase (Decrease) in bank overdrafts and short-term loan from financial institutions		169,580,278	(80,900,567)	169,580,278	(80,900,567)
Decrease in short-term loans		-	(3,600,000)	-	-
Increase in long-term loans		103,439,420	350,397,651	88,280,000	333,912,651
Decrease in long-term loans		(156,020,052)	(137,001,350)	(150,971,112)	(137,001,350)
Decrease in debenture		-	(150,000,000)	-	(150,000,000)
Payments for financial lease liabilities		(46,969,027)	(27,893,738)	(46,969,027)	(27,893,738)
Payments for dividend		(178,201,138)	(138,160,523)	(178,201,138)	(138,160,523)
Net cash provided by (used in) financing activities		(108,170,519)	(187,158,527)	(118,280,999)	(200,043,527)
Gain (loss) from currency translation of foreign subsidiaries financial statements		(1,010,301)	(17,301)	-	-
Net decrease in cash and cash equivalents		(155,929,174)	(42,263,063)	(190,437,244)	(44,902,266)
Cash and cash equivalents at 1 January		218,497,056	260,760,119	203,015,805	247,918,071
Cash and cash equivalents at 31 December		62,567,882	218,497,056	12,578,561	203,015,805
Supplemental disclosures of Cash flow information					
Non cash transaction					
Increase in property, plant and equipment from others payable		19,771,475	9,211,410	5,466,813	5,896,376
Increase in property, plant and equipment from lease liabilities		139,006,114	82,411,394	139,006,114	82,411,394
Transfer land to investment property		400,000	-	400,000	-

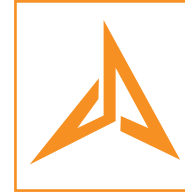
The accompanying notes are an integral part of these financial statements.

Seafco Public Company Limited and its Subsidiaries
Consolidated statement of changes in equity
For the year ended 31 December 2019

Unit : Baht

	Notes	Equity attributable to owners of the Company							Equity attributable to owners of the Company	Non-Controlling Interests	Total equity
		Retained earnings			Other components of equity						
		Issued and paid - up share capital	Share premium	Legal reserve	Unappropriated	Currency translation differences	Actuarial loss	Total other components of equity			
Balance at 1 January 2018		305,665,008	164,000,000	30,566,626	677,721,322	(2,454,038)	(3,678,188)	(6,132,226)	1,171,820,730	24,175,885	1,195,996,615
Transfer actuarial loss		-	-	-	(3,678,188)	-	3,678,188	3,678,188	-	-	-
Stock dividend	30	30,566,206	-	-	(30,566,206)	-	-	-	-	-	-
Dividend paid (cash)	30	-	-	-	(138,160,523)	-	-	-	(138,160,523)	-	(138,160,523)
Total comprehensive income (loss) for the year		-	-	-	368,214,817	-	-	-	368,214,817	(15,732,755)	352,482,062
Profit for the period		-	-	-	-	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
Foreign currency translation differences for foreign operations		-	-	-	-	(17,301)	-	(17,301)	(17,301)	-	(17,301)
Actuarial loss		-	-	-	-	-	(3,075,025)	(3,075,025)	(3,075,025)	-	(3,075,025)
Transfer to Legal Reserve		-	-	3,056,525	(3,056,525)	-	-	-	-	-	-
Balance at 31 December 2018		336,231,214	164,000,000	33,623,151	870,474,697	(2,471,339)	(3,075,025)	(5,546,364)	1,398,782,698	8,443,130	1,407,225,828
Balance at 1 January 2019		336,231,214	164,000,000	33,623,151	870,474,697	(2,471,339)	(3,075,025)	(5,546,364)	1,398,782,698	8,443,130	1,407,225,828
Transfer actuarial loss		-	-	-	(3,075,025)	-	3,075,025	3,075,025	-	-	-
Transfer non - controlling interest loss		-	-	-	(3,937,167)	-	-	-	(3,937,167)	3,937,167	-
Stock dividend	30	33,622,740	-	-	(33,622,740)	-	-	-	-	-	-
Dividend paid (cash)	30	-	-	-	(178,201,138)	-	-	-	(178,201,138)	-	(178,201,138)
Total comprehensive income (loss) for the year		-	-	-	409,514,295	-	-	-	409,514,295	1,696,069	411,210,364
Profit for the period		-	-	-	-	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
Foreign currency translation differences for foreign operations		-	-	-	-	(1,010,301)	-	(1,010,301)	(1,010,301)	-	(1,010,301)
Actuarial loss		-	-	-	(2,140,224)	-	-	-	(2,140,224)	-	(2,140,224)
Transfer to Legal Reserve		-	-	3,362,283	(3,362,283)	-	-	-	-	-	-
Balance at 31 December 2019		369,853,954	164,000,000	36,985,434	1,055,650,415	(3,481,640)	-	(3,481,640)	1,623,008,163	14,076,366	1,637,084,529

□ The accompanying notes are an integral part of these financial statements.



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Seafco Public Company Limited and its Subsidiaries
Separate statement of changes in equity
For the year ended 31 December 2019

Unit : Baht

	Notes	Issued and paid - up share capital	Share premium	Retained earnings		Other components of equity	Total equity
				Legal reserve	Unappropriated		
Balance at 1 January 2018		305,665,008	164,000,000	30,566,626	653,215,235	(3,678,188)	1,149,769,681
Transfer actuarial loss		-	-	-	(3,678,188)	3,678,188	-
Stock dividend	30	30,566,206	-	-	(30,566,206)	-	-
Dividend paid (cash)	30	-	-	-	(138,160,524)	-	(138,160,524)
Total comprehensive income (loss) for the period							
Profit for the year		-	-	-	360,571,018	-	360,571,018
Other comprehensive income							
Actuarial loss		-	-	-	-	(3,075,025)	(3,075,025)
Transfer to Legal Reserve		-	-	3,056,525	(3,056,525)	-	-
Balance at 31 December 2018		336,231,214	164,000,000	33,623,151	838,325,810	(3,075,025)	1,369,105,150
Balance at 1 January 2019		336,231,214	164,000,000	33,623,151	838,325,810	(3,075,025)	1,369,105,150
Transfer actuarial loss		-	-	-	(3,075,025)	3,075,025	-
Stock dividend	30	33,622,740	-	-	(33,622,740)	-	-
Dividend paid (cash)	30	-	-	-	(178,201,138)	-	(178,201,138)
Total comprehensive income (loss) for the year							
Profit for the year		-	-	-	412,966,294	-	412,966,294
Other comprehensive income							
Actuarial loss		-	-	-	(2,140,224)	-	(2,140,224)
Transfer to Legal Reserve		-	-	3,362,283	(3,362,283)	-	-
Balance at 31 December 2019		369,853,954	164,000,000	36,985,434	1,030,890,694	-	1,601,730,082

The accompanying notes are an integral part of these financial statements.

Seafco Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

1. General information

Seafco Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 144 Prayasuren Road, Bangchan, Khlong Sam Wah, Bangkok 10510.

The Company was registered with the Stock Exchange of Thailand on 18 March 2004

The major shareholder is Thasnanipan family group with shareholding 26.19%.

The Company and its subsidiaries (the “Group”) is principally engaged in business for the construction of foundation and general public works. Details of the Company’s subsidiaries as at 31 Decemberr 2019 and 2018 are described in Note 12 to the financial statements.

2. Basis of preparation of the financial statement

- 2.1 The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.
- 2.2 The financial statements are presented for Thai currency reporting purpose and prepared in Thai language. This English translation of financial statements has been prepared for the convenience of the readers. All financial information presented in Thai Baht has been rounded in the notes to the financial statements unless otherwise stated.
- 2.3 New and Revised Thai Financial Reporting Standards

The Thai Financial Reporting Standards that are effective in the current accounting period.

The Group have adopted the new and revised Thai Financial Reporting Standards, Thai Accounting Standards, Thai Financial Reporting Standard Interpretations, Thai Accounting Standard Interpretations, and Guidelines promulgated by the Federation of Accounting Professions that are effective for accounting periods beginning on or after 1 January 2019. The adoption of these standards, interpretations and guidelines does not have any material effect on the Group’s financial statements.

The Financial Reporting Standards that have not yet been effective in the current accounting period.

The Federation of Accounting Professions has promulgated several new and revised Thai Financial Reporting Standards, Thai Accounting Standards, Thai Financial Reporting Standard Interpretations, which will be effective for accounting periods beginning on or after 1 January 2020. The new standards which involve changes to key principles, which are summarized as below:

Thai Financial reporting standards and Interpretations reporting to financial instruments comprise:

Thai Accounting Standards

TAS 32 Financial Instrument: Presentation

Thai Financial Reporting Standards

TFRS 7 Financial Instrument: Disclosures

TFRS 9 Financial Instrument

Thai Financial Reporting Standard Interpretations

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments has requirement to the classification of financial instruments and their measurement at the fair value through profit or loss (FVPL) and at the fair value through comprehensive income (FVOCI) and amortized cost, which will be depended on the characteristics of the contractual cash flow and the entity's business model, impairment of financial instruments for the expected credit loss, and hedge accounting. These include requirement regarding the presentation and disclosure of financial instruments.

Thai Financial Reporting Standards No 16 : Leases

The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognize assets and liabilities for all leases except for short-term-leases and leases of low value assets.

Accounting by lessors is substantially unchanged to lease accounting. Lessors will continue to classify leases as either operating or finance lease

The Group have not adopted the above standards before the effective date. The management of the Group are in the process of assessing the impact on the financial statements in the year that the above standards are applied.

- 2.4 Historical cost is used as measurement basis in preparing these financial statements except some items indicated in relevant notes.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”).

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated.

Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign exchange differences are generally recognized in profit or loss.

Foreign operations

The assets and liabilities of foreign operations, are translated to Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates monthly averaged.

Foreign exchange differences are recognized in other comprehensive income and presented in the foreign currency transaction reversal in equity until disposal of the investment.

3.3 *Cash and cash equivalents*

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments.

3.4 *Trade and other accounts receivable*

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

Trade accounts receivable are stated at the net realizable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

3.5 *Unbilled receivables*

Unbilled receivables comprises the costs of materials and labor, subcontractor charges, services and overheads plus the attributable net gains or losses less the amounts already billed to customers.

The excess of the value of a construction contract in progress over the amount billed to the customer is presented as current assets. The excess of the amount billed to a customer over the value of the construction contract in progress is presented as "Construction revenue received in advance" under current liabilities.

3.6 *Inventories*

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

An allowance is made for all deteriorated, changed and slow-moving inventories.

3.7 Investments

Current Investments

Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss. The fair value of unit trusts is determined from their net asset value.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognized in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the FIFO method applied to the carrying value of the total holding of the investment.

Investments in subsidiaries

Investments in subsidiaries in the separate financial statements of the Company are accounted for using the cost method.

Investments in other equity securities

Equity securities which are not marketable are stated at cost less any impairment losses.

3.8 Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property and other costs directly attributable to bringing the investment property to a working condition for its intended use.

The Group did not depreciate the investment in properties in land.

3.9 Property, plant and equipment

Recognition and measurement

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in profit or loss.

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvement	10 years
Buildings and building improvement	5,20 years
Machinery and equipment	5,10,15 years
urniture, fixtures and office equipment	3,5 and 10 years
Vehicles	5 years

No depreciation is provided on freehold land or assets under construction, and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.10 Intangible assets

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and impairment losses.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

Software licences	10 years
-------------------	----------

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.11 Impairment of assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognized in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

Impairment losses recognized in prior periods in respect of non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

3.12 Interest-bearing liabilities

Interest-bearing liabilities are recognized initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognized in profit or loss over the period of the borrowings on an effective interest basis.

3.13 Trade and other accounts payable

Trade and other accounts payable are stated at cost.

3.14 Long-term leases

Leases of assets which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The asset acquired under finance leases is depreciated over the useful life of the asset.

Leases of plant and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognized as an expense in profit or loss on a straight-line basis over the lease term.

3.15 Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in other comprehensive income.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits

Termination benefits are expensed at the earlier of when the Group/Company can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.16 Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

3.17 Revenue

Revenue from construction

Revenues from construction are recognized when services have been rendered taking into account the stage of completion measured by the proportion of actual construction costs incurred up to the end of the year and the total anticipated costs to complete the construction. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

Sales of construction materials

Revenue from sale of construction materials is recognised at point in time when the goods are delivered and control of goods is transferred to the customer based on the value after deducting estimates of goods return and discount.

Dividend income

Dividend income is recognized in profit or loss on the date the Group's right to receive payments is established.

Interest income

Interest income is recognized in profit or loss as it accrues.

3.18 Expenses

Operating leases

Payments made under operating leases are recognized in profit or loss on a straight line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Finance costs

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial periods of time to be prepared for its intended use or sale.

Other expense

Other expense is recognized in profit or loss as it accrues.

3.19 Income tax

Income tax expense for the year 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 year, 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 for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes 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 judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. 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.

3.20 Earnings per share

The Group presents basic earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

3.21 Segment reporting

Segment results that are reported to the chief operating decision maker include items directly attributable to a segment, as well as those that can be allocated on reasonable basis.

3.22 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4. Significant accounting judgements and estimates

The preparation of financial statements in conformity with 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:

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.

Allowance for doubtful accounts

Allowances for doubtful accounts are intended to adjust the value of receivables for probable credit losses. The management uses judgment to establish reserves for estimated losses for each outstanding debtor. The allowances for doubtful accounts are determined through a combination of analysis of debt aging, collection experience, and taking into account change in the current economic conditions. However, the use of different estimates and assumptions could affect the amounts of allowances for receivable losses and adjustments to the allowances may therefore be required in the future.

Reduce cost of inventories to net realisable value

In determining a reduce cost of inventories to net realisable value, the management makes judgment and estimates net realisable value of inventories based on the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period. Also, the management makes judgement and estimates expected loss from stock obsolescence based upon aging profile of inventories and the prevailing economic condition.

Impairment of equity investments

The Group treat investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

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.

Estimated construction project costs

The Group estimate costs of construction projects based on details of the construction work, taking into account the volume and value of construction materials to be used in the project, labour costs and other miscellaneous costs to be incurred to completion of service, taking into account the direction of the movement in these costs. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

Provision for losses on construction projects

Management applied judgement in estimating the loss they expect to be realised on each construction project, based on estimates of anticipated costs that take into account the progress of the project and actual costs incurred to date, together with fluctuations in costs of construction materials, labour and the current situation.

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 utilised.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under defined benefit plan is determined based on actuarial valuations. Inherent within these calculations are assumptions as to discount rates, future salary increases, mortality rates and other demographic factors. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. The mortality rate is based on publicly available mortality tables for the country. Actual post-retirement costs may ultimately differ from these estimates.

5. Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationship with management and related parties and the pricing policies for particular types of transactions were as follows;

<u>Name of entities</u>	<u>Type of Business</u>	<u>Nature of relationships</u>	<u>Transactions</u>	<u>Pricing policy</u>
<u>Subsidiaries</u>				
Seafco Construction Co., Ltd.	Construction contractual work	Subsidiary	Hire of work income / services	Estimated cost / Actual cost
Seafco Intertrade Co., Ltd.	Construction contractual work	Subsidiary	Loans	At the interest rate of 5% per annum
			Other income	As agreed
Seafco (Myanmar) Co., Ltd.	Construction contractual work	Subsidiary	Sales of materials income	Market value
<u>Related company</u>				
S.T.P. Assets Co., Ltd.	Rent for movable and immovable assets	Common shareholder and close relative of director is a director of such company	Other income - sales of fixed assets Cost of utilities expenses Machinery rental Other expenses	Market value Actual cost Less than market value Actual cost
E. D. E. Co., Ltd.	Hire of foundation pile testing	Shareholder of this company is close relative of the Company's shareholders.	Cost of utilities expenses Machinery rental Test of foundation pile Field site expenses and others Other expenses	Actual cost Less than market value Market value Market value Actual cost
Altentech Co., Ltd.	Construction contractual work	Subsidiary's shareholder and director	Contracted wages	As agreed
New Technology Engineering Construction Co., Ltd.	Construction contractual work	Subsidiary's shareholder and director	Service income Contracted wages	Actual cost As agreed

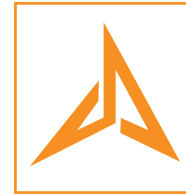


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The related party transactions for each of the year ended 31 December are detailed as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Unit : Thousand Baht				
For the years ended 31 December				
<u>Sales of materials income</u>				
Seafco (Myanmar) Co., Ltd.	-	-	3,693	
<u>Other income</u>				
Subsidiary company				
Seafco Intertrade Co., Ltd.	-	-	422	403
Seafco (Myanmar) Co., Ltd.	-	-	2,968	93
Other related company				
S.T.P. Assets Co., Ltd.	-	606	-	606
Total	-	606	7,083	1,102
<u>Costs of Constructions</u>				
Other related companies				
1. Cost of utilities expenses				
S.T.P. Assets Co., Ltd.	7,452	7,613	7,452	7,613
E. D. E. Co., Ltd.	1,909	1,048	1,909	1,048
2. Machinery rental				
S.T.P. Assets Co., Ltd.	27,149	17,824	27,149	17,824
1E. D. E. Co., Ltd.	1,621	1,222	1,621	1,222
3. Test of foundation piles				
E. D. E. Co., Ltd.	1,854	2,783	1,854	2,783
4. Field site expenses and others				
E. D. E. Co., Ltd.	210	270	210	270
Total	40,195	30,760	40,195	30,760
<u>Administrative expenses</u>				
Other related companies				
S.T.P. Assets Co., Ltd.	1,309	1,705	1,309	1,705
E. D. E. Co., Ltd.	1,327	1,527	1,327	1,527
Total	2,636	3,232	2,636	3,232



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Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
For the years ended 31 December				
Key management personnel				
Short-term employee benefits	63,355	59,283	63,355	59,283
Post-employment benefits	3,201	8,006	3,201	8,006
Total key management personnel compensation	66,556	67,289	66,556	67,289

Balances as at 31 December 2019 and 2018 with related parties are as follows:

5.1 Other receivables - related companies.

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Subsidiary companies				
Seafco Intertrade Co., Ltd.	-	-	1,472	41
Seafco (Myanmar) Co.,Ltd.	-	-	9,632	599
Other related companies				
New Technology Engineering Construction Co., Ltd	28,360	28,360	-	-
S.T.P. Assets Co., Ltd.	15	17	15	17
Total	28,375	28,377	11,119	657
Less Allowance for doubtful accounts	(28,360)	(28,360)	-	-
Net	15	17	11,119	657

5.2 Short-term loans to related party

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Subsidiary company				
Seafco Intertrade Co., Ltd.	-	-	1,300	1,300

The company entered into loan agreement on 21 May 2018, to provide unsecured loan of Baht 1.30 million to the aforesaid subsidiary with interest at the rate of 5% per annum.



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Movements during the nine-month periods ended 31 December 2019 of short-term loans to related party are as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Subsidiary company				
At 1 January	-	-	1,300	-
Increase	-	-	-	1,300
Decrease	-	-	-	-
At 31 December	-	-	1,300	1,300

5.3 Trade accounts payable and other payables - related companies.

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade payables				
Other related companies				
S.T.P. Assets Co., Ltd.	2,889	2,976	2,889	2,976
E. D. E. Co., Ltd.	696	1,045	696	1,045
New Technology Engineering Construction Co., Ltd.	9,434	9,434	-	-
Total	13,019	13,455	3,585	4,021

5.4 Retention payables - contractors

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Other related companies				
Altemtech Co., Ltd.	1,798	1,798	-	-
New Technology Engineering Construction Co., Ltd.	13,560	13,560	1	1
Total	15,358	15,358	1	1

6. Cash and cash equivalents

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash	2,125	3,693	932	766
Cash at banks - current accounts	18,260	209,556	10,539	200,192
Cash at banks - savings accounts	42,183	5,248	1,108	2,058
Total	62,568	218,497	12,579	203,016

7. Current investments

Unit : Thousand Baht

	Consolidated and Separate financial statements	
	2019	2018
Unit trusts	131,246	180,045
Add Gain on fair value adjustment	1,896	648
Total	133,142	180,693

The movements of current investments for each of the year ended 31 December 2019 and 2018 are as follows:

Unit : Thousand Baht

	Consolidated and Separate financial statements	
	2019	2018
Beginning balance of the period	180,693	100,045
Acquisition	-	230,000
Disposal	(49,447)	(150,000)
Total	131,246	180,045
Gain from fair value adjustment	1,896	648
Net	133,142	180,693



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8. Trade accounts and other receivables

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade receivables	438,042	444,232	406,980	433,626
Less Allowance for doubtful accounts	(46,452)	(14,862)	(63,299)	(43,221)
Net	391,590	401,312	362,041	392,219
Other receivables				
Related companies	28,375	28,377	11,119	657
Others	71,075	54,448	68,426	44,147
Total	99,450	82,825	79,545	44,804
Less Allowance for doubtful accounts	(50,252)	(50,252)	(21,892)	(21,892)
Net	49,198	32,573	57,653	22,912
Total trade and other receivables	440,788	433,885	419,694	415,131

As at 31 December 2019 and 2018, Trade and other receivables are analysed by aging as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Within credit terms	169,954	250,965	155,178	248,425
Overdue :				
Less than 3 months	178,632	126,393	178,632	126,393
3 - 6 months	24,689	8,750	23,426	8,750
6 - 12 months	1,264	97	1,264	97
Over 12 months	63,502	58,027	48,480	49,961
Total	438,042	444,232	406,980	433,626

The normal credit terms granted by the Company ranges from 30 days to 45 days.

9. Unbilled receivables/Advances received from employers and construction revenue received in advance

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Unbilled receivables				
Project value as per contract	5,475,158	3,525,271	5,178,395	3,294,655
Accumulated amount recognized as revenue on percentage of completion basis	3,555,157	2,210,636	3,373,998	2,018,053
Less Value of total billed	(3,156,029)	(1,962,867)	(2,986,630)	(1,800,540)
Unbilled receivables	399,128	247,769	387,368	217,513
Retentions	280,995	222,493	247,675	198,946
Less Allowance for doubtful accounts	(12,530)	(9,083)	(12,530)	(9,083)
Net	268,465	213,410	235,145	189,863
Advances received from employers and construction revenue received in advance				
Project value as per contract	1,174,667	1,047,267	1,060,424	1,047,267
Value of total billed	1,108,053	644,064	986,381	644,065
Less Accumulated amount recognized	(1,096,182)	(599,723)	(981,939)	(599,723)
Construction revenue received in advance	11,871	44,341	4,442	44,342
Advances received from employers	113,672	154,007	89,410	144,081
Total	125,543	198,348	93,852	188,423

10. Inventories

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Construction materials	47,324	33,849	47,324	33,849
Supplies	75,126	76,210	72,453	74,040
Total	122,450	110,059	119,777	107,889
Less allowance for diminution in value of inventories	(24,671)	(20,428)	(24,671)	(20,428)
Net	97,779	89,631	95,106	87,461



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11. Bank deposits used as collateral

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Savings deposits	-	43,000	-	43,000
Fixed deposits	59,000	21,000	59,000	21,000
Total	59,000	64,000	59,000	64,000

As at 31 December 2019 and 2018, the Group have savings deposit with several banks to guarantee bank overdrafts and short-term borrowings from financial institutions (Note 18) and letter of guarantee (Note 32)

12. Investments in subsidiaries

Unit : Thousand Baht

	Separate financial statements	
	2019	2018
At 1 January	12,550	22,800
Increase	-	-
Decrease	-	-
Less allowance for impairment of investment in subsidiary	-	(10,250)
At 31 December	12,550	12,550

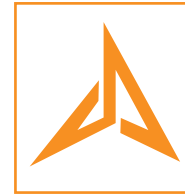
Seafco Construction Co., Ltd, the subsidiary, has ceased its operation. The Company recognized impairment loss on investment in subsidiary in the separate statement of comprehensive income for the year ended 31 December 2019, amounting to Baht 10.25 million.

Investments in subsidiaries as at 31 December 2019 and 2018, were as follows:

Name	Type of business	Ownership interest		Separate financial statements						At cost - net of Impairment	
				Paid-up capital		Cost		Impairment			
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Seafco Construction Co., Ltd.	Construction contractual work	50,000	50,000	26,000	26,000	13,000	13,000	(10,250)	(10,250)	2,750	2,750
	Construction contractual work	97,996	97,996	10,000	10,000	9,800	9,800	-	-	9,800	9,800
Total						22,800	22,800	(10,250)	(10,250)	12,550	12,550

Unit : Thousand Baht

Seafco Intertrade Co., Ltd., the Group's subsidiary, made an investment in Seafco (Myanmar) Co., Ltd., amounting to Bath 13.43 million, which was incorporated in the Republic of the Union of Myanmar. Accordingly, the Group obtained indirect controlling interest of Seafco (Myanmar) Co., Ltd. or indirect subsidiary of the Group with indirect ownership of 78.397%.



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13. Other long-term investments

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Other investments- equity securities				
Oriental Residence Bangkok	5,000	5,000	5,000	5,000
Less allowance for impairment	(5,000)	(5,000)	(5,000)	(5,000)
Net	-	-	-	-
Fixed deposits	4,142	4,106	-	-
Total	4,142	4,106	-	-

14. Investment properties

As at 31 December 2019 the Company had investment properties amounting to Baht 26.08 million (*at fair value of Baht 35.36 million*) (31 December 2018: Baht 18.97 million, *fair value of Baht 20.40 million*) in the consolidated and separate financial statements. The Company has placed its investment property, which have a net book value as at 31 December 2019 of Baht 7.67million (*fair value of Baht 8 million*) as collateral for obtaining credit facilities from financial institution (Note 18)

15. Property, plant and equipment

Unit : Thousand Baht

	Consolidated financial statements						Total
	Land improvement	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction	
Cost							
As at 1 January 2018	55,229	60,094	1,636,305	56,039	94,829	50,890	1,953,386
Additions	-	-	227,518	4,723	11,315	419,799	663,355
Transfer	11,935	4,239	419,167	80	5,158	(431,910)	8,669
Disposals	-	(108)	(34,928)	(2,780)	(6,017)	-	(43,764)
As at 31 December 2018	67,164	64,294	2,248,062	58,062	105,285	38,779	2,581,646
Additions	11,744	-	289,357	11,784	2,420	177,595	492,900
Transfer	(400)	-	153,494	16	1,231	(157,741)	(400)
Disposals	-	-	(194,700)	(3,591)	(1,622)	(214)	(200,12)
As at 31 December 2019	78,508	64,294	2,496,213	66,271	107,314	61,419	2,874,019



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Unit : Thousand Baht

	Consolidated financial statements						Total
	Land improvement	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction	
Accumulated depreciation							
As at 1 January 2018	59	35,500	858,260	40,633	70,727	-	1,005,179
Depreciation charge for the year	217	2,399	136,754	5,081	7,755	-	152,206
Disposals	-	(33)	(25,047)	(2,119)	(5,999)	-	(33,198)
As at 31 December 2018	276	37,866	969,967	43,595	72,483	-	1,124,187
Depreciation charge for the year	269	2,416	162,764	4,190	9,414	-	179,053
Disposals	-	-	(37,588)	(3,035)	(1,622)	-	(42,245)
As at 31 December 2019	545	40,282	1,095,143	44,750	80,275	-	1,260,995

Unit : Thousand Baht

	Consolidated financial statements						Total
	Land improvement	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction	
Net book value							
At 31 December 2018							
Owned assets	66,888	26,428	1,131,585	14,467	18,387	38,779	1,296,534
Assets under finance leases	-	-	146,510	-	14,415	-	160,925
	66,888	26,428	1,278,095	14,467	32,802	38,779	1,457,459
At 31 December 2019							
Owned assets	77,963	24,012	1,243,193	21,521	20,511	61,419	1,448,619
Assets under finance leases	-	-	157,877	-	6,528	-	164,405
	77,963	24,012	1,401,070	21,521	27,039	61,419	1,613,024

The gross carrying amount of Group's fully depreciated buildings and equipment that was still in use as at 31 December 2019 was amounted to Baht 493.55 million (2018 : Baht 445.26 million).

The Group have mortgaged certain plots of its land with constructions thereon, with their book values as at 31 December 2019 amounting to approximately Baht 87.44 million (2018 : Baht 44.80 million), to guarantee bank overdrafts and short-term borrowings from financial institutions (Note 18) and letter of guarantee (Note 32).



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Unit : Thousand Baht

	Consolidated financial statements						
	Land improvement	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Cost							
As at 1 January 2018	55,229	60,094	1,599,015	52,734	94,194	50,588	1,911,844
Additions	-	-	206,573	4,155	11,315	419,608	641,651
Transfer	11,935	4,239	419,167	80	5,158	-431,909	8,670
Disposals	-	(40)	(30,832)	(1,295)	(6,017)	-	(38,184)
As at 31 December 2018	67,164	64,293	2,193,923	55,674	104,640	38,287	2,523,981
Additions	11,744	-	275,960	11,536	2,420	177,595	479,255
Transfer	(400)	-	153,494	16	1,231	(154,741)	(400)
Disposals	-	-	(194,683)	(3,203)	(1,622)	-	(199,508)
As at 31 December 2019	78,508	64,293	2,428,694	64,023	106,669	61,141	2,803,328

Unit : Thousand Baht

	Consolidated financial statements						Total
	Land improvement	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction	
Accumulated depreciation							
As at 1 January 2018	59	35,500	853,120	38,856	70,229	-	997,764
Depreciation charge for the year	217	2,399	132,228	4,693	7,625	-	147,162
Disposals	-	(33)	(23,714)	(920)	(5,998)	-	(30,665)
As at 31 December 2018	276	37,866	961,634	42,629	71,856	-	1,114,261
Depreciation charge for the year	269	2,415	156,837	3,931	9,396	-	172,848
Disposals	-	-	(37,580)	(2,777)	(1,622)	-	(41,979)
As at 31 December 2019	545	40,281	1,080,891	43,783	79,630	-	1,245,130



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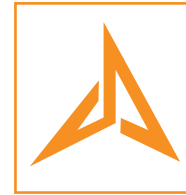
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Unit : Thousand Baht

	Consolidated financial statements						Total
	Land improvement	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction	
Net book value							
At 31 December 2018							
Owned assets	66,888	26,427	1,085,779	13,045	18,369	38,287	1,248,795
Assets under finance leases	-	-	146,510	-	14,415	-	160,925
	66,888	26,427	1,232,289	13,045	32,784	38,287	1,409,720
At 31 December 2019							
Owned assets	77,963	24,012	1,189,925	20,240	20,511	61,141	1,393,792
Assets under finance leases	-	-	157,878	-	6,528	-	164,406
	77,963	24,012	1,347,803	20,240	27,039	61,141	1,558,198

The gross carrying amount of company's fully depreciated buildings and equipment that was still in use as at 31 December 2019 was amounted to Baht 467.13 million (2018 : Baht 443.70 million).

The company have mortgaged certain plots of its land with constructions thereon, with their book values as at 31 December 2019 amounting to approximately Baht 87.44 million (2018 : Baht 44.80 million), to guarantee bank overdrafts and short-term borrowings from financial institutions (Note 18) and letter of guarantee (Note 32).



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16. Intangible assets

Unit : Thousand Baht	
	Consolidated and Separate financial statements
	Software licences
Cost	
As at 1 January 2018	4,547
Additions	194
As at 31 December 2018	4,741
Additions	740
As at 31 December 2019	5,481
Amortisation	
As at 1 January 2018	795
Amortisation charge for year	462
As at 31 December 2018	1,257
Amortisation charge for year	502
As at 31 December 2019	1,759
Net book value	
As at 31 December 2018	3,484
As at 31 December 2019	3,722



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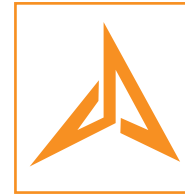
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17. Deferred tax assets

Deferred tax assets and liabilities as at 31 December were as follows:

Unit : Thousand Baht

	Consolidated and Separate financial statements	
	2019	2018
Deferred tax assets		
Trade accounts receivable (allowance for doubtful accounts)	11,187	10,480
Inventories (allowance for devaluation of inventories)	4,934	4,086
Retentions receivable (allowance for doubtful accounts)	2,185	1,816
Investments in subsidiary (impairment loss)	2,050	2,050
Investments in other companies (impairment loss)	1,000	1,000
Other current provisions	7,787	5,854
Provision for long-term employee benefits	13,828	9,987
Financial lease liabilities	5,756	-
Total	48,727	35,273
Deferred tax liability		
Financial lease liabilities	-	(4,213)
Total	-	(4,213)
Deferred tax assets - net	48,727	31,060



Movements in deferred tax assets and liabilities during for the years are detailed as follows:

Consolidated and Separate financial statements								Unit : Thousand Baht
1 January 2018	(Charged) / Credited to:		31 December 2018	1 January 2019	(Charged) / Credited to:		31 December 2019	
	Profit or loss	Other comprehensive income			Profit or loss	Other comprehensive income		
Deferred tax assets								
Trade accounts receivable (allowance for doubtful accounts)	3,708	6,772	-	10,480	707	-	11,187	
Inventories (allowance for devaluation of inventories)	22	4,064	-	4,086	849	-	4,935	
Retentions receivable (allowance for doubtful accounts)	321	1,495	-	1,816	369	-	2,185	
Investments in subsidiary (impairment loss)	-	3,050	-	3,050	-	-	3,050	
Other current provisions	2,922	2,932	-	5,854	1,933	-	7,787	
Provision for long-term employee benefits	8,806	414	767	9,987	3,305	535	13,827	
Financial lease liabilities	-	-	-	-	5,756	-	5,756	
Total	15,779	18,727	767	35,273	12,919	535	48,727	
Deferred tax liabilities								
Financial lease liabilities	(4,346)	133	-	(4,213)	4,213	-	-	
Total	(4,346)	133	-	(4,213)	4,213	-	-	
Net	11,433	18,860	767	31,060	17,132	535	48,727	



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18. Interest-bearing liabilities

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Current				
Bank overdraft	30,743	-	30,743	-
Short-term loans from financial institutions				
- Unsecured Promissory note	100,000	-	100,000	-
- Unsecured Trust receipts	38,837	-	38,837	-
Bank overdrafts and short-term loans				
From financial institutions	169,580	-	169,580	-
Current portion of long-term loans				
from financial institutions - secured	51,309	45,939	51,309	45,939
- unsecured	67,922	105,565	56,900	100,620
Current portion of finance lease liabilities	62,000	36,176	62,000	36,176
Total current interest-bearing liabilities	350,811	187,680	339,789	182,735
Non-current				
Long-term loans from financial institutions				
- secured	110,394	124,711	110,393	124,711
- unsecured	118,257	124,247	102,683	112,708
Finance lease liabilities	153,093	86,880	153,093	86,880
Total non-current interest-bearing liabilities	381,744	335,838	366,169	324,299
Total interest-bearing liabilities	732,555	523,518	705,958	507,034

The increase and decrease of long-term loans for the year ended 31 December are as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Book value as at 1 January	400,462	187,066	383,977	187,066
Borrowed during the periods	103,590	350,397	88,280	333,913
Repayments made during the periods	(156,170)	(137,001)	(150,971)	(137,001)
Book value as at 31 December	347,882	400,462	321,286	383,978

The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Within one year	288,811	151,504	277,789	146,559
After one year but within five years	228,651	248,958	213,077	237,419
Total	517,462	400,462	490,866	383,978

The loans consist of:

Bank overdrafts and short-term loans from financial institutions

The Company had overdrafts line with 8 banks credit line of Baht 164.50 million with interest at the rates saving from S/A + 1.5 per annum to MOR + 1 per annum (2018 : Interest at the rates saving from SIA +1.5 per annum to MOR). Such bank overdrafts are collateralized by bank deposits (Note 11), land with constructions thereon (Note 15).

Promissory note credit line with 5 banks credit line of Baht 420 million, with a bank at the agreed interest rate at the utilization date. Such promissory note are collateralized by land with constructions thereon (Note 15).

Trust receipt from a bank credit used of Baht 38.84 million with interest rate at 3.80% per annum. Such loan have no any collaterals.

Long term loans from financial institutions as at 31 December 2019 and 31 December 2018 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Long-term loans from financial institutions in company				
1) The loan amount of Baht 25.5 million, pay the interest rate at the rate of MLR -1% per annum on the 25th of month and shall repay the loan within 48 monthly. The first installment shall start on the 4th month after the first drawdown and has a monthly principal repayment of Baht 0.57 million from May, 2017.	9,612	16,404	9,612	16,404

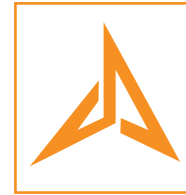


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Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
2) The loan amount of Baht 90 million, has a monthly interest payment at the rate of BIBOR (3M) + 2% per annum, and has a quarterly principal repayment of Baht 7.5 million from November, 2016.	-	30,000	-	30,000
3) The loan amount of Baht 100 million, has a monthly interest payment at the rate of BIBOR (3M) + 2% per annum, and has a quarterly principal repayment of Baht 7.5 million. The first installment payment shall start on the 6th month after the first drawdown from November, 2016.	-	26,220	-	26,220
4) The loan amount of Baht 90 million, has a monthly interest payment at the rate of BIBOR (3M) + 1.80% per annum, and has a quarterly principal repayment of Baht 5.7 million. The first installment payment shall start on the 6th month after the first drawdown from July, 2018.	56,244	79,044	56,244	79,044
5) The loan amount of Baht 50 million, has a monthly interest payment at the rate of BIBOR (3M) + 1.80% per annum, and shall repay the loan within 16 quarterly. The first installment payment shall start on the 3rd month after the first drawdown and has a quarterly principal repayment of Baht 3.13 million from September, 2019.	46,875	-	46,875	-
6) The loan amount of Baht 74 million, has a monthly interest payment at the rate of Prime rate -2.25 per annum, and has a monthly principal repayment of Baht 1.23 million from November, 2016.	46,852	61,660	46,852	61,660
7) The loan amount of Baht 100 million, has a monthly interest payment at the rate of BIBOR (1M) + 1.80% per annum after the first utilization date, and has a monthly principal repayment at least 2.09% of total utilization from June, 2018.	51,880	72,739	51,880	72,739



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Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
8) The loan amount of Baht 100 million, has a monthly interest payment at the rate of BIBOR (1M) + 1.80% per annum after the first utilization date, and has a monthly principal repayment at least 2.09% of total utilization from May, 2018.	72,830	97,910	72,830	97,910
9) The loan amount of Baht 30 million, has a monthly interest payment at the rate of MLR -2.65% at least 4.375% per annum after the first Utilization date. The first installment shall start on the 13th month and has a monthly principal repayment with interest Baht 0.48 million from February, 2019	30,000	-	30,000	-
10) The loan amount of Baht 8.28 million, has a monthly interest payment at the rate of MLR -2.65% at least 4.375% per annum, and has a monthly principal repayment with the interest Baht 0.16 million after the first Utilization date from February, 2019.	6,993	-	6,993	-
Total	321,286	383,977	321,286	383,977



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Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Long-term loans from financial institutions in company in subsidiary				
1) The loan amount of USD 0.5 million, has a monthly interest payment at the rate of ICE Liibor (3m) + 2.5% per annum, and a grace period for 6 months from the first Utilization date, September 2018. The first installment shall start on June, 2019 and has a quarterly principal repayment of USD 0.005 million with interest.	11,210	16,485	-	-
2) The loan amount of USD 0.5 million, has a monthly interest payment at the rate of ICE Liibor (3m) + 2.5% per annum, and a grace period for 6 months from the first Utilization date, July 2019. The first installment shall start on April, 2020 and has a quarterly principal repayment of USD 0.005 million with interest.	15,386	-	-	-
Total	26,596	16,485	-	-
Total Long-term loans from financial institutions	347,882	400,462	321,286	383,977
<i>less</i> Current portion of long-term loans financial institutions	(119,231)	(151,504)	(108,209)	(146,559)
Net Long-term loans financial institutions	228,651	248,958	213,077	237,418

A long term loan from the financial institution The loan is secured by mortgaging certain plots of land with constructions thereon and equipment (Note15). Subsidiary's loans collateralized by SBLC from a bank. Besides that, the Company must be in compliance with the debt covenants and maintain the required financial ratios as stated in the agreements such as maintaining the debt to equity ratio etc.

Finance lease liabilities

Finance lease liabilities as at 31 December were payable follows:

		Unit : Thousand Baht	
		Consolidated and Separate financial statements	
		2019	2018
<i>Within one year</i>			
Future minimum lease payments		70,020	41,123
Less Deferred interest		(8,020)	(4,947)
Present value of minimum lease payments		62,000	36,176
<i>After one year but within five years</i>			
Future minimum lease payments		162,925	92,532
Less Deferred interest		(9,832)	(5,652)
Present value of minimum lease payments		153,093	86,880

19. Trade and other payables

		Unit : Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Trade payables					
Related parties		13,019	13,455	3,585	4,021
Other parties		427,461	665,448	394,531	637,360
Total		440,480	678,903	398,116	641,381
Other payables					
Assets payables		5,467	5,896	5,467	5,897
Accrued expenses		48,123	36,213	44,169	34,551
Others		15,528	12,695	12,496	12,122
Total		69,118	54,804	62,132	52,570
Total trade and other payables		509,598	733,707	460,248	693,951



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20. Other current provisions

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Provision for loss of construction projects				
As at 1 January	36,143	14,592	29,269	14,592
Add Recorded during the year	36,094	30,059	26,965	23,185
Less Decrease in provision as project cost actually occurred in the year	(25,839)	(8,508)	(17,298)	(8,508)
As at 31 December	46,398	36,143	38,936	29,269

21. Employee benefit obligations

Unit : Thousand Baht

	Consolidated and Separate financial statements	
	2019	2018
Statement of financial position		
Employee benefit obligations	69,139	49,935
<i>For the years ended 31 December</i>		
Statement of comprehensive income:		
Recognized in profit or loss:		
Post-employment benefits	16,528	4,075
	16,528	4,075
Recognized in other comprehensive income:		
Actuarial losses recognized in the year	2,675	3,844
	2,675	3,844

Movements in the present value of the defined benefit obligations

Unit : Thousand Baht

	Consolidated and Separate financial statements	
	2019	2018
Defined benefit obligations at 1 January	49,935	44,031
Actuarial gains	2,675	3,844
Current service costs	15,062	2,958
Interest on obligation	1,466	1,117
Benefit paid	-	(2015)
Defined benefit obligations at 31 December	69,138	49,935

Actuarial losses (gains) recognized in other comprehensive income as of the end of the reporting period arising from:

Unit : Thousand Baht

	Consolidated and Separate financial statements	
	2019	2018
<i>For the years ended 31 December</i>		
Demographic assumptions	-	(198)
Financial assumptions	-	126
Experience adjustment	2,675	3,916
Total	2,675	3,844

Actuarial assumptions

Principal actuarial assumptions at the end of the reporting period

	Unit : Thousand Baht	
	Consolidated and Separate financial statements	
	2019	2018
	(%)	
Discount rate	2.80	2.80
Salary increase rate	6.00	6.00
Employee turnover rate	3.82 - 45.84	3.82 - 45.84
Mortality rate	105.00	105.00

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the non-current provision for defined benefit plans by the amounts shown below.

	Unit : Thousand Baht	
	Consolidated and Separate financial statements	
	2019	2018
Discount rate		
1% increase	(4,999)	(3,779)
1% decrease	5,798	4,393
Salary increase rate		
1% increase	6,148	4,208
1% decrease	(5,397)	(3,706)
Employee turnover rate		
20% increase	(3,430)	(2,288)
20% decrease	4,146	2,739

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 assumptions shown.

Change to severance payment under new Labor Protection Act.

On 13 December 2018, the National Legislative Assembly passed a final resolution to approve the draft of new amendment to the Labor Protection Act. Such draft was announced as the amendment to the Labor Protection Act (No.7) B.E. 2562 in the Royal Thai Government Gazette on 5 April 2019.

The aforementioned draft has stipulated that employee who is terminated for an uninterrupted service period of 20 years or more is entitled to receive severance payment for not less than 400 days of the wage at the most recent date of employment. The current maximum severance payment is based on 300 days.

The effects of such change will result in an increase in the employee benefit obligations of the Group in the consolidated financial position of 2019 amounting to approximately Baht 14.15 million (the Company's separate financial position of 2019 : Baht 14.15 million) and a decrease in the total comprehensive income of the Group in the consolidated comprehensive income for 2019 amounting to approximately Baht 11.32 million (the Company's separate comprehensive income for 2019 : Baht 11.32 million).

22. Shares capital

	Par Value (in Baht)	Consolidated and Separate financial statements			
		2019		2018	
		Number of share	Amount baht	Number of share	Amount baht
		(thousand shares/ Thousand Baht)			
Authorized Share Capital					
At 1 January					
- ordinary shares	0.50	672,463	336,231	611,330	305,665
Add Stock dividend (Note 30)	0.50	67,245	33,623	61,133	30,567
At 31 December					
- ordinary shares		739,708	369,854	672,463	336,232
Issued and paid - up					
At 1 January					
- ordinary shares	0.50	672,463	336,231	611,330	305,665
Add Stock dividend (Note 30)	0.50	67,245	33,622	61,133	30,566
At 31 December					
- ordinary shares		739,708	369,853	672,463	336,231

Capital surplus and reserves

Share premium

Section 51 of the Public Companies Act B.E. 1992 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

Legal reserve

Section 116 of the Public Companies Act B.E. 1992 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Other component of equity

Currency translation differences

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations to Thai Baht.

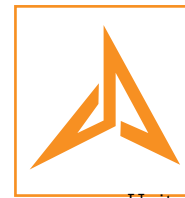
23. Contracts in progress

As at 31 December 2019, the aggregate amount of construction cost incurred and recognized profits or losses to date for contracts in progress of the Group was approximately Baht 2,525.42 million (2018: Baht 2,184.74 million) (Separate financial statements: Baht 2,228.23 million (2018: Baht 2,071.81 million)), gross amounts due from customers for contracts in progress were approximately Baht 256.45 million (2018: Baht 188.15 million) (Separate financial statements: Baht 244.57 million (2018: Baht 213.03 million))

24. Segment information

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

The Group 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.



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Unit : Thousand Baht

	Consolidated financial statements	
	2019	2018
Foundation and wall works	3,027,927	2,751,689
General civil works	703	554

Major customers

The Group recognized revenues from constructions three and five major customers (income received from customers over 10% of total income) for the years ended 31 December 2019 and 2018 respectively, amounting to Baht 1,460 million. (2018 : Baht 2,281.52 million).

25. Administrative expenses

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Personnel expenses	67,513	58,444	63,472	54,125
Doubtful accounts and Allowance for doubtful accounts	6,980	59,245	6,980	29,362
Impairment losses	-	5,000	-	15,250
Office supplies and utilities expenses	2,448	2,285	2,388	2,286
Rental expenses	4,119	3,569	2,728	3,569
Depreciation and amortisation	9,274	9,359	10,267	9,397
System monitoring and maintenance expenses	3,108	2,529	3,037	2,529
Others	64,074	57,589	55,037	43,545
Total	157,516	198,020	143,909	160,063

26. Employee benet expenses

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Wages and salaries	42,317	37,735	38,573	34,063
Overtime	328	201	328	201
Welfare	3,228	2,415	3,077	1,769
Bonus	5,689	10,451	5,689	10,451
Incentive	4,939	1,524	4,940	1,524
Defined contribution plans	1,727	1,629	1,727	1,629
Retirement benefits	4,252	687	4,253	687
Others	5,033	3,802	4,885	3,801
Total	67,513	58,444	63,472	54,125

Defined contribution plans

The defined contribution plans comprise provident fund established by the Group for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at rates 3% - 15% of their basic salaries and by the Group at rates 3% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as a juristic entity and is managed by a licensed Fund Manager. For the years 2019, the Group have contribution to be paid to the fund for the amount of Baht 4.85 million.(2018:Baht 4.10 million).

27. Expenses by nature

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Construction materials and supplies used	1,233,304	1,192,342	1,196,296	1,154,399
Subcontractors costs	115,872	120,965	110,675	115,334
Personnel expenses	389,302	321,061	374,917	302,853
Depreciation and amortisation	169,967	142,242	163,826	138,228
Repair and maintenance expenses	16,607	14,597	14,702	14,597
Transportation expenses	65,246	35,073	47,381	35,073
Rental expenses	194,457	127,327	172,323	127,327

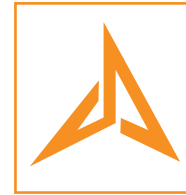
28. Income tax

Income tax of the Group was calculated at a rate specified by the Revenue Department on net earnings after adjusting certain conditions according to the Revenue Code. The Group recorded the corporate income tax as expense for the years and recorded the accrued portion as liabilities in the statements of financial position.

Foreign Subsidiaries

Seafco (Myanmar) Co.,Ltd.

Current income tax is calculated based on statutory income tax of The Republic of the Union of Myanmar at the rate of 25%. There was no tax effect in other comprehensive income.



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Income tax recognized in profit or loss

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Current tax expense				
Current year	100,058	95,396	100,338	92,298
Deferred tax expense				
Relating to origination and reversal of temporary differences	(17,132)	(18,860)	(17,132)	(18,860)
Total income tax expense	82,926	76,536	83,206	73,438

Income tax recognized in other comprehensive income

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Actuarial loss	2,675	3,844	2,675	3,844
Income tax expenses(income) reported in the statement of comprehensive income	(535)	(769)	(535)	(769)
Total	2,140	3,075	2,140	3,075

Reconciliation of effective tax rate

Unit : Thousand Baht

	Consolidated financial statements			
	2019		2018	
	Rate	Amount	Rate	Amount
Profit before income tax expense		494,137		429,018
Income tax using the Thai corporation tax rate	20,25	98,955	20,25	89,900
Exemption of income/Additional expenses deduction allowed		(13,887)		(16,102)
Expenses net deductible for tax purposes and others		14,990		21,598
Current income tax		100,058		95,396
Movements in temporary differences		(17,132)		(18,860)
Income tax expenses	18	82,926	18	76,536



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Unit : Thousand Baht

	Separate financial statements			
	2019		2018	
	Rate	Amount	Rate	Amount
Profit before income tax expense		496,172		434,009
Income tax using the Thai corporation tax rate	20	99,235	20	86,802
Exemption of income/Additional expenses deduction allowed		(13,887)		(16,102)
Expenses net deductible for tax purposes and others		14,990		21,598
Current income tax		100,338		92,298
Movements in temporary differences		(17,132)		(18,860)
Income tax expenses	17	83,206	17	73,438

29. Earnings per share

Basic earnings per share for the years ended 31 December 2019 and 2018 are determined by dividing the profit attributable to ordinary shareholders of the Company for the years by the weighted average number of ordinary shares outstanding during the years, after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the increase in share capital arising from the issue of a stock dividend of 67,245 million shares on 24 May 2019. The number of ordinary shares of the prior years has been adjusted as if the stock dividend had been issued at the beginning of the earliest years reported as follows:

Unit : Thousand Baht/Thousand Share

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Profit attributable to ordinary shareholders of the Company	409,514	368,214	412,966	360,571
Number of ordinary shares outstanding	672,463	611,330	672,463	611,330
Add Stock dividend 2018 (Note 30)	-	61,133	-	61,133
Add Stock dividend 2019 (Note 30)	67,245	67,245	67,245	67,245
Weighted average number of paid-up ordinary shares	739,708	739,708	739,708	739,708
Basic earnings per share (Baht)	0.55	0.50	0.56	0.49

30. Dividend paid

The Company's Board of directors' meeting No.6/2019 held on 12 November 2019 approved to pay an interim dividend from the results of operation for 3rd quarter of 2019 to the shareholders at Baht 0.07 per share for 739.71 million shares, totaling Baht 51.78 million. The Company paid dividend to shareholders on 11 December 2019.

The Company's Board of directors' meeting No.5/2019 held on 13 August 2019 approved to pay an interim dividend from the results of operation for 2nd quarter of 2019 to the shareholders at Baht 0.03 per share for 739.71 million shares, totaling Baht 22.19 million. The Company paid dividend to shareholders on 12 September 2019.

The Company's Board of directors' meeting No.3/2019 held on 3 May 2019 approved to pay an interim dividend from the results of operation for the 1st quarter of 2019 to the shareholders at Baht 0.05 per share for 739.71 million shares, totaling Baht 36.98 million. The Company paid dividend to shareholders on 3 June 2019.

The company's shareholders at their Annual General Shareholders' Meeting 2019 held on 25 April 2019 approved a dividend payment in rate of Baht 0.31 per share, including an interim dividend paid during the year at Baht 0.16 per share. According to the resolution of shareholders, all ordinary shareholders are eligible to receive additional cash dividend at Baht 0.10 per share, totaling Baht 67.25 million, and stock dividend at the ratio of 10 existing shares to 1 new ordinary share (representing 0.05 per share), par value of Baht 0.05 per share, totaling Baht 33.62 million. The Company paid dividend to shareholders on 23 May 2019.

The Company's Board of directors' meeting No.4/2018 held on 12 November 2018 approved to pay an interim dividend from the results of operation for the three months of 2018 to the shareholders at Baht 0.05 per share for 672.46 million shares, totaling Baht 33.62 million. The Company paid dividend to shareholders on 12 December 2018.

The Company's Board of directors' meeting No.3/2018 held on 10 August 2018 approved to pay an interim dividend from the results of operation for the first six months of 2018 to the shareholders at Baht 0.11 per share for 672.46 million shares, totaling Baht 73.97 million. The Company paid dividend to shareholders on 6 September 2018.

The Company's Shareholders at their 2018 Annual General Shareholders' Meeting held on 26 April 2018 approved an annual dividend to ordinary shareholders at of Baht 0.175 per share, including an interim dividend paid during the year at Baht 0.075 per share. According to the resolution of shareholders, all ordinary shareholders are eligible to receive additional cash dividend at Baht 0.05 per share, totaling Baht 30.57 million, and stock dividend at the ratio of 10 existing shares to 1 new ordinary share (representing 0.05 per share), par value of Baht 0.50 per share, totaling Baht 30.57 million. The Company paid dividend to shareholders on 25 May 2018.

31. Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivatives for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group' operations and its cash flows because deposits at banks, short-term loans, restricted bank deposit, bank overdrafts and short-term loans from financial institutions, long-term loan, debentures and liabilities under finance lease agreements interest rates are fluctuations in market interest rates or fixed interest rates which are close to the market rate.

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

Unit : Thousand Baht

	As at 31 December 2019						
	Consolidated financial statements						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	After 1 year but within 5 years	After 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	42,043	20,525	62,568	0.25-0.50
Current investment	-	-	-	133,142	-	133,142	11.50-13.30
Trade and other receivables	-	-	-	-	440,788	440,788	-
Bank deposits used as collateral	59,000	-	-	-	-	59,000	0.80-1.90
Financial liabilities							
Bank overdraft and Short-term loans from financial institutions	-	-	-	169,580	-	169,580	2.30-6.95
Trade and other payables	-	-	-	-	509,598	509,598	-
Long-term loan from financial institution	119,231	228,651	-	-	-	347,882	3.21-5.03
Financial lease liabilities	62,000	153,093	-	-	-	215,093	3.25-14.39



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Unit : Thousand Baht

	As at 31 December 2019						
	Separate financial statements						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	After 1 year but within 5 years	After 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	968	11,611	12,579	0.25-0.50
Current investment	-	-	-	133,142	-	133,142	11.50-13.30
Trade and other receivables	-	-	-	-	419,693	419,693	-
Short-term loan to related party	-	1,300	-	-	-	1,300	5.00
Bank deposits used as collateral	59,000	-	-	-	-	59,000	0.80-1.90
Financial liabilities							
Bank overdraft and Short-term loans from financial institutions	-	-	-	169,580	-	169,580	2.30-6.95
Trade and other payables	-	-	-	-	460,248	460,248	-
Long-term loan from financial institution	108,209	213,077	-	-	-	321,286	3.21-5.03
Financial lease liabilities	62,000	153,093	-	-	-	215,093	3.25-14.39

Unit : Thousand Baht

	As at 31 December 2018						
	Consolidated financial statements						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	After 1 year but within 5 years	After 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	5,162	213,335	218,497	0.25-0.50
Current investment	-	-	-	180,693	-	180,693	10.98-13.14
Trade and other receivables	-	-	-	-	433,885	433,885	-
Bank deposits used as collateral	64,000	-	-	-	-	64,000	0.80-1.15
Financial liabilities							
Trade and other payables	-	-	-	-	733,707	733,707	-
Long-term loan from financial institution	151,504	248,958	-	-	-	400,462	3.49-5.03
Financial lease liabilities	36,176	86,880	-	-	-	123,056	3.25-14.39



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Unit : Thousand Baht

	As at 31 December 2018						
	Separate financial statements						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	After 1 year but within 5 years	After 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	1,972	201,044	203,016	0.25-0.50
Current investment	-	-	-	180,693	-	180,693	10.98-13.14
Trade and other receivables	-	-	-	-	415,131	415,131	-
Short-term loan to related party	-	1,300	-	-	-	1,300	5.00
Bank deposits used as collateral	64,000	-	-	-	-	64,000	0.80-1.15
Financial liabilities							
Trade and other payables	-	-	-	-	693,951	693,951	-
Long-term loan from financial institution	146,559	237,418	-	-	-	383,977	3.49-6.25
Financial lease liabilities	36,176	86,880	-	-	-	123,056	3.25-14.39

Foreign currency risk

The balances of financial liabilities denominated in foreign currencies and hadn't been hedged against foreign exchange rate risk, are summarised as follows :

Unit : Thousand

	Consolidated and Separate financial statements	
	2562	2561
JPY		
Trust receipt payable	138,900	-
Trade accounts payable	1	-
SG Dollar		
Trade accounts payable	8	2
EUR		
Trade accounts payable	-	7

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due. The Group 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.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The financial assets that are measured at fair value :

Unit : Thousand Baht

	Consolidated and Separate financial statements			
At 31 December 2019	Level 1	Level 2	Level 3	Total
Assets				
Current investments (Unit fund)	-	133,142	-	133,142
Total assets	-	133,142	-	133,142

Unit : Thousand Baht

	Consolidated and Separate financial statements			
At 31 December 2018	Level 1	Level 2	Level 3	Total
Assets				
Current investments (Unit fund)	-	180,693	-	180,693
Total assets	-	180,693	-	180,693

As at 31 December 2019 and 2018, the fair value of financial assets and liabilities do not differ significantly from amount recorded in the statements of financial position.

Valuation techniques and inputs for Level 2 valuations

The fair value of investments in investment units which are not listed on the Stock Exchange of Thailand, is determined by using the net assets value per unit as announced by the fund managers.

During the current period, there was no transfer within the fair value hierarchy.



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32. Commitments with non-related parties

Unit : Thousand

	Consolidated and separate financial statements	
	2019	2018
<i>Project construction cost commitments</i>		
SG Dollar	12	-
Euro	-	1
Baht	328,913	305,065
<i>Non-cancellable operating lease commitments`</i>		
Within one year	203,472	304,895
After one year but within five years	80	170
Total	203,552	305,065
<i>Other commitments</i>		
Letter of Credit		
USD	2,000	500
Baht	-	150
Bank guarantees	590,560	-
Fleet Card		
Baht	80	-

the Group and the Company had the following commitments:

Project construction cost commitments

As at 31 December 2019 and 2018, the Group had commitments of project construction costs agreements. These repayment shall be made when the group received goods or services.

Operating lease commitments

As at 31 December 2019, the Company had outstanding commitments of approximately Baht 203.55 million (2018: Baht 305.57 million) with the period of 3 months to 3 years.

Letters of credit

As at 31 December 2019 and 2018 the Group had unused letters of credit for purchase fixed asset Baht 19.85 million (2018 :Baht 16.39 million).

Bank guarantees

As at 31 December 2019 and 2018, the Group have outstanding bank guarantees issued by banks to some customers in accordance with the hire of work contracts, goods seller and others. Such letter of guarantee is guaranteed by bank deposit (Note 11), land with its construction (Note 15) and transfer the receipt of payment rights under the hire of work contracts of various customers.

As at 31 December 2019, the Group had unused Credit line Baht 1,620.43 million (2018 : Baht 1,593.40 million).

Credit for fleet card

As at 31 December 2019 and 2018, the Group had unused credit for fleet card of Baht 1.92 million.

33. Events after the reporting period

The Company's Board of directors' meeting No.1/2020 held on 26 February 2020, passed the resolution to propose for the approval to the shareholders' general meeting to pay dividend to shareholders at Baht 0.26 per share as follows:

- Paid an interim dividend on 3 May 2019 at Baht 0.05 per share (Note 30).
- Paid an interim dividend on 13 August 2019 at Baht 0.03 per share (Note 30).
- Paid an interim dividend on 12 November 2019 at Baht 0.07 per share (Note 30).
- For the remaining dividend, the Company will pay the additional cash dividend at Baht 0.11 per share.

34. Reclassification of accounts

Certain accounts in the 2018 financial statements have been reclassified to conform with the presentation in the 2019 financial statements as follows:

Unit : Thousand Baht

	2018					
	Consolidated financial statements			Separate financial statements		
	Before reclass	Reclass	After reclass	Before reclass	Reclass	After reclass
Statements of Comprehensive income						
Costs of Constructions and sales of construction materials	2,140,432	918	2,141,350	2,004,266	918	2,005,184
Administrative expenses	198,020	4,349	202,369	160,063	4,349	164,412
Financial cost	22,254	(5,267)	16,987	26,849	(5,267)	21,582

35. Approval of financial statements

These financial statements have been authorised for issue by the Company's Board of Directors on 26 February 2020.

● **Sustainable Development** ●

On 10 August 2018, the Board of Directors of the company had resolution to set a Corporate Governance, Social Responsibility and Sustainable Development committee. The Board of Directors has established this committee having the purpose to show the determination to develop the organization to grow sustainably. The company wished to be a transparent organization having good governance truly, based on the philosophy of Sufficiency Economy, to be the basis for doing business, having responsibility and protect the interests of all stakeholders and society as a whole, developing personnel to be good people, having morality, promoting knowledge and quality of life, together with developing and maintaining the environment, by specifying international framework for economic, social, and environmental aspects.

The company has determined and analyzed about stakeholders of the company, by collecting data from all divisions/ departments of the company, including information from construction units collected through the Community Relations Section that has duty for communicating and creating relationships between the construction department and surrounding communities, to know the needs and information of each group of stakeholders, both main and secondary stakeholders. The information is used as guideline for placing policies, strategies, processes and administration that can respond to needs efficiently and sustainably. In this regard, the determination of the social responsibility policy has the following detail:

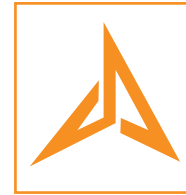
Stakeholders	Expectation	Related procedures	Communication and channel
1. Shareholders	<ul style="list-style-type: none"> • Maximum return (Under appropriate risk) • Transparent and auditable business operations • Rights of shareholders • Equitable treatment to shareholders • Disclosure and access to information appropriately and adequately • Determining channels for expressing opinion and recommendation 	<ul style="list-style-type: none"> • Operation under the principles of good governance of the company. • will not bring any information which has not been disclosed to the public to seek benefits for himself • will not take any action that may cause conflicts of interest. 	<ul style="list-style-type: none"> • Holding shareholders' annual general meeting as per AGM Checklist • Meeting with analysts and investors • Annual report, Form 56-1 • The company's website



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Stakeholders	Expectation	Related procedures	Communication and channel
2. Customers	<ul style="list-style-type: none"> • Quality service and performance at international standards Able to meet customer needs and fair prices • Delivering work on time • The disclosure of relevant information correctly, appropriately and adequately • Contracting between customers and the company fairly and contract fulfillment • Maintaining customer confidentiality 	<ul style="list-style-type: none"> • Development of the potential of the company in various fields, whether in the matter of personnel, tools, machinery, innovation, work processes, etc., in response to the needs of customers and the development of a leading company in bored piles and diaphragm wall • Compliance with good governance principles and business code of conduct of the company 	<ul style="list-style-type: none"> • Participating in meeting with customers, project owners and consultant • Engineers Entering to check in the site by the executives of the company
3. Employees	<ul style="list-style-type: none"> • Security and progress in duty and work • Fair and appropriate compensation and benefit • Work safety • Good work environment • The company develops potential of employees 	<ul style="list-style-type: none"> • Performance under good governance and business code of conduct of the company • Promoting and developing personnel in several aspects and developing and planning for progress in career path • Creating consciousness and implementing safety at work, by setting policies, measures, regulations, monitoring and evaluation and developing guidelines for working safety • Compliance with safety, occupational health and work environment policies, so that the workplace is hygienic • Determine channels for expressing opinions and complaints, with protection measures for whistleblowers • The company has organized meditation teacher course of the Willpower Institute, to train employees to be good people 	<ul style="list-style-type: none"> • Meeting of employees and small group meeting of working unit; the company holds HBD parties to employees every month and holding meeting of employees always and every month • Channels for opinion and complaint • Activities to link relations of company employees



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Stakeholders	Expectation	Related procedures	Communication and channel
4. Partners	<ul style="list-style-type: none"> • Transparent process of selection of partners • Disclosure of information appropriately and adequately • Making of contracts between partners and company fairly • Keeping of confidential information of partners • Payment of business partners meets deadline 	<ul style="list-style-type: none"> • Compliance with good corporate governance principles and business ethics • Compliance with the Company's Anti-dishonesty and Corruption Policy • Compliance with contracts between partners and the company • Determine channels for expressing opinion and complaints with protection measures for whistleblowers 	<ul style="list-style-type: none"> • Holding meeting between trade partners and the company • The company's website
5. Creditor	<ul style="list-style-type: none"> • Transparent and auditable business operations • Disclosure of related information correctly, appropriately and sufficiently • Making contracts between creditors and the company is fairly made • Compliance with the contracts made between the creditors and the company • Has financial discipline and ability to pay debt 	<ul style="list-style-type: none"> • Compliance with good corporate governance and business code of conduct of the company • The company pays debt to creditors according to the terms and conditions • The company strictly complies with contract conditions 	<ul style="list-style-type: none"> • Holding meeting with creditors • The company's website
6. Competitor	<ul style="list-style-type: none"> • Not doing anything to limit the right of competitors 	<ul style="list-style-type: none"> • Compliance with good corporate governance and business code of conduct of the company 	<ul style="list-style-type: none"> • The company's website
7. Government agency	<ul style="list-style-type: none"> • Performance under the relevant law and regulations in engaging in business of the company • Transparency in doing business 	<ul style="list-style-type: none"> • Compliance with good corporate governance and business code of conduct of the company • Compliance with policy of anti-dishonesty, corruption and giving or receiving graft of the company 	<ul style="list-style-type: none"> • The company's website



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Stakeholders	Expectation	Related procedures	Communication and channel
8. Community and Society	<ul style="list-style-type: none"> • Engaging in business affecting life living of people in community or commuters in minimum • Engaging in business with keeping environment • Supporting community activities • Channel for expressing opinion and complaint 	<ul style="list-style-type: none"> • Compliance with good corporate governance and business code of conduct of the company • Compliance with policy of safety, occupational health and environment • Determining the channels in showing opinion and complaints and measures to protect whistleblowers • Participation of community and society • Listen to opinions and suggestions of the communities around the project area, to find ways to mitigate the effects that may occur, including handling complaints, when receiving notification of problems from the communities 	<ul style="list-style-type: none"> • The company's website

Responsibility to communities and society

The company conducts business with awareness of responsibility in conducting business with responsibility to the community and society, economy, environment, and good corporate governance. Based on the fact that if society is strong, it will lead to the sustainability of business growth. The company has set a policy to conduct business with social responsibility in accordance with international guidelines and according to the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

In implementing of the guideline, conducting business policies with social responsibility which starts by identifying the company's stakeholders, including evaluating the expectations or needs of each stakeholder group towards the company through agencies that perform duties directly related to each stakeholder group. After that, the information obtained was evaluated as follows:

Economy

The company is committed to be the leading company making eco-friendly piles and retaining walls in ASEAN which can deliver work on time with specified quality.

Society

- The company attaches importance to education. The company has always supported education with students at the bachelor's degree level, master's degree, and doctorate level in engineering related fields for all the time throughout. In the year 2019, the company gives scholarship to King Mongkut University of Technology Lat Krabang and mahidol University including making MOU with educational institutions in order to deliver students at the vocational certificate or higher vocational certificate level to do internships with the company for 1 year, so that the company will be a source of technical staff to work with the company. In addition, the company also manages staff in the office to do a short meditation for 5 minutes, 3 times a day every day to continuously develop the mind

- The company attaches importance to developing the minds of people to be mindful and tolerant, by using meditation, in which the company opened the company as a meditation teacher branch of Power Conservation Institute of Reverend Father Wiriyang Sirintharo, Branch 47, for the communities around the company and the company's employees to have come to study. Currently, there are all employees at the head office to have completed the meditation teacher courses.

Environmental aspect

The company is aware of operations focusing on safety and the environment. The company has established policies, guidelines, monitoring and development regarding safety and the environment strictly. The company imparts knowledge and training in performing duties in every process to comply with the work standards related to safety and the environment, including supporting environmental preservation guideline in each project area.

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

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:

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:
 - 1.1 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.
 - 1.2 Always Give information, provide research work and new innovation to interest parties and customers.
 - 1.3 Deliver quality work on time at fair price to the customers as agreed and do not set selling price in an exorbitant prices.
2. Promote trade partner responsibilities
 - 2.1 Promote trade partner responsibilities for employers, sellers and contractors to be able to participate in social activities both directly and indirectly.
 - 2.2 Verify conflict of interests of employees at all levels with contractual employers, contractors, sellers consist ently to prevent unfair and inequality business operation between each contractual employers, contractors and sellers.
 - 2.3 Provide knowledge on fair labor practices and compliance to labor law to trade partners including out sources, contractors, sellers as well as follow up their performance.
 - 2.4 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.
 - 2.5 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.

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.
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.

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.

Company directors, executives and employees must perform their duties with honesty and without corruption and dishonesty of all kinds, whether directly or indirectly; they have to strictly abide by and perform according to the policies and ethics of the company strictly.

Guidelines of the year 2019

- Receiving or giving gifts

Receiving or giving gifts on behalf of the company to those involved in the business of the company according to social customs or etiquette that should be followed, to congratulate, or as souvenir on several occasions shall strictly comply with the laws, rules and policies specified strictly, in order to ensure that receiving or giving a gift does not create conflict of interest, not result in relief, or negligence, or compensation in business agreement, or inappropriate business practices, it will not lead to corruption or dishonesty.

From 2017 onwards, the company announced to stop receiving and giving new year gifts to customers / partners / government agencies / financial institutions / those involved with the company during the New Year festival, in order to show the intention to adhere to transparent business operation.

- Charitable donations

Donations, or support to public sector or private sector agencies shall be done transparently, not violating moral, or ethics, shall be done lawfully and complying with the policies and regulation of the company in such matter strictly; there shall be approval in accordance with the steps under the regulation of the company

- Entertainment cost

To provide entertainment in connection with the business operation of the company to individuals or any working unit, the entertainment cost shall be transparent and can be checked according to related regulations and is going to create good relations or expression of social etiquette, not to make conflict of interest, not create result in relief, negligence, or benefits in a business agreement, or inappropriate business operation and lead to corruption or dishonesty.

Approval of entertainment cost shall comply with regulations strictly, there is making of report for consideration and approval in accordance with the regulations of the company.

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.

1. The Company has employee protection measure in relation to providing employee's information to the government if the employee violates the law or Security and Exchange Act. The employee shall be protect against unfairness including relocating the employees to different positions, nature of work, location and being suspended from work due to reporting evidences on illegal or unethical acts.

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

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.

Fair labor practice

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 footsol court, cheap lunch for the employees and cafeteria in the company, snack for every Friday morning by the executives and fitness 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.

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

- 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.
- 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.
- 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.



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- 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
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.
4. Safe workplace is arranged to ensure safety in life and property of the workers.
 - 4.1 Five S 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.
 - 4.2 Regular inspection of equipment to ensure its function because there are equipment and machines disbursed 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 near by community and agencies.
 - 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 flexibility 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.
 - 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.
 - 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
 - 4.6 Installation of closed-circuit television and sufficient lighting system (spotlight) and night patrol by the security guards to prevent undesirable incident.

5. Development of environment in the company to ensure suitability with the working conditions
 - 5.1 Arrangement of documentation system to reduce garbage because the business is required to reduce documentation system with garbage reduction purpose and adjusted the working system to ensure modernization through scanning files into the computer system or online folders instead of paper file 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 file cabinet and printer ink and the storage space is reduced with no redundancy of retention.
 - 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.
 - 5.3 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.
 - 5.4 Proper financial efficiency will facilitate the disbursement so the unit is required to be proper financial 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.

Responsibility for consumers

1. To ensure satisfaction of the customers in the services and quality such as
 - 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.
 - 1.2 The construction work is conducted in accordance with the design and time schedule and scope of the project construction to maintain confidence 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
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 flowing 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.
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.
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.
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. 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.

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

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.
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.
 - 7.1 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.
 - 7.2 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.
 - 7.3 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.
 - 7.4 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.
 - 7.5 Use of modern machines with consistent maintenance to reduce air pollution and smell from the working unit and to reduce the construction time.



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- 7.6 Temporary fence made to prevent flying 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 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.
- 7.8 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.
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.
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.

Environmental responsibility

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

1. Comply with law and regulation and occupational safety and environment.
2. Utilize natural resources effectively and efficiently. Initiate energy saving measure and promote reuse procedure.
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.
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.
5. Disclose information on relationship between business operation and occupational safety and environment.
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.

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.

Innovation and distribution of innovation

1. To provide information and knowledge from the company to the other entities.
 - 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.
 - 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.
 - 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 beneficial to the public.
 - 1.4 Collection and analysis of geological engineering information and article or technical journals are prepared to provide a guideline to the construction work efficiently and will be the database for the newly employed engineers of the company and the related persons in the future.

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.



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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.

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. Currently, the company gives scholarships to employees to study master's degrees, Faculty of Business Administration, National Institute of Development Administration.

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 actory 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.

5. The company has made a memorandum of understanding (MOU) on bilateral vocational education arrangement with educational institutes, including Sawang Daen Din Vocational College, Ubon Ratchathani Technical College, Lop Buri Technical College.



● Activities for Sustainable Development ●

1. Activities to strengthen relations between the company and employees of the organization

The company held activities of CRS & TEAM BUILDING Project in Chon Buri Province



Seafco Public Company Limited organized activities of CSR & TEAM BUILDING Project for employees at Sattahip Entertainment Building Division, Chon Buri Province, to emphasize unity and focus on teamwork within the organization. There were several executives and employees of Seafco Public Company Limited participating in this activity. The company organized the activities for 2 times, the first time on 1-3 March 2019 and the second time on 10 - 12 May 2019.

The company organized Big Cleaning Day activities



Seafco Public Company Limited employees worked on Big Cleaning Day to rehabilitate and clean inside and outside the area of the company, including doing public benefit activities, by cleaning the area around Rat Sathatham Temple (Bang Chan) on 21 September 2019.



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2. Social Activities

The company participated in casting candles for the Buddhist Lent Day at Rat Saththam Temple (Bang Chan)



Dr. Narong Thasnanipan, President of Seafco Public Company Limited, chaired the ceremony, joining in the casting of candles for the Buddhist Lent Day at Rat Saththam Temple (Bang Chan), together with executives and staff. This ceremony was a project to promote Buddhism on Tuesday 16 July 2019.

Children's Day Activity on 12 January 2019



Seafco Public Company Limited organized Children's Day Activity on 12 January 2019, having employees and children of the company's employees participated in activities. The company arranged food to staff and gave gifts to children who participated in the activities.

The company delivered children's playground



Seafco Public Company Limited by Mr Tawat PhutPhong, Executive Vice President chaired the opening ceremony and delivered children's playground for children of employees in the area of residence of workers, to provide employees' children with space for playing in several activities and on playing devices on 12 January 2019.

The company donated the fund to "Ramathibodi Foundation"



on Friday 2 February 2019, Seafco Public Company Limited donated the fund to "Ramathibodi Foundation", in the Chakri Naruebodin Medical Institute Project, by Mr. Nutthaphan Thasnanipan, Executive Vice President, in the amount of 1,100,000 Baht (one million one hundred thousand Baht).

3. Activities to strengthen relations between the company and business partners

The company joined the ONE BANGKOK Project to give food and gifts for the elderly.



On Friday 12 April 2019, Seafco Public Company Limited together with the ONE BANGKOK Project organized activity for the Elderly Day by giving food and giving gifts of the company and the ONE BANGKOK Project at Bon Kai Development Community.

The company participated in the football match to strengthen relations with the Expert ICT Company



On Friday 26 July 2019. Seafco Public Company Limited participated in the football competition to strengthen relations with the Expert ICT Company, having the objective to strengthen relations of alliance organizations and promote exercise and to maintain health, by using sports as a medium.

The company joined charity football competition



On 23 October 2019, Seafco Public Company Limited participated in charity football competition, organized by ORC Premier Company Limited. The objective is to donate to Thammarak Foundation, Phrabat Nampu Temple, Lop Buri Province and promote exercise, maintain health, connect the relations, by using sports as the medium at Superkick Arena, Lat Phrao 80 Alley



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In the year 2019, the company aimed to be a construction company making bored piles and retaining walls for society, the company has done as follows:

1. Control of erosion and sedimentation

1.1 Cleaned inside of the working unit

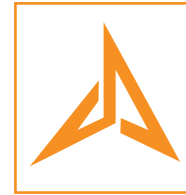


1.2 Cleaned inside of the working unit



1.3 Cleaned the public way





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1.4 Cleaned the public way



1.5 Sprayed water outside of the project



1.6 Washed car wheels before leaving the Project





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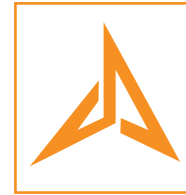
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1.7 Used steel sleeves to prevent soil from breaking



1.8 Used sediment trap beside machines for washing car wheels, to collect soil sediment so that sediment would not flow to public water pipes





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2. Waste water management

2.1 Waste water treatment tank, for toilets in the project



3. Waste management

3.1 Beds for steel scrap pick-up



3.2 Beds for steel scrap pick-up





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3.2.1 Plastic waste



3.2.2 Paper waste



3.3 Waste bins having colors separated by type



3.4 Examples of correct waste littering



3.5 Spots for collection of waste inside working unit will be separated from the office to reduce the effects of odor



4. Dust control

4.1 The fence of the Project prevents dust and noise pollution so that dust and noise pollution do not go outside





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4.2 The roads in the working unit, are used in driving cars.



4.3 The compnay sprinkles water in the project at least 2 times a day



4.4 The compnay sprinkles water out the project at least 2 times a day





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4.5 planting trees for filtering dust in the office zone



4.6 spraying water on the doorway of entrance-exit to reduce the impact from dust.



5. Maintenance of materials and equipment

5.1 At the area for placing of steel structure, there are sheet piles to protect steel structure, so that steel structure does not contact with soil





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5.2 preparing fuel collecting tanks for use in the project



Environmentally Friendly Pile Construction

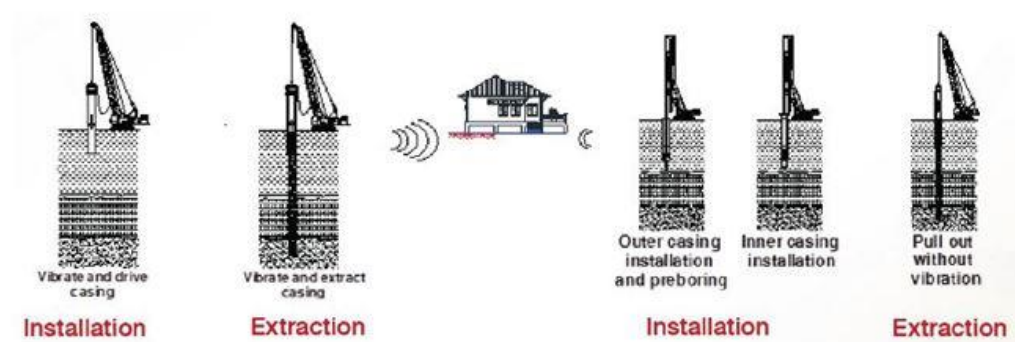
Current problems

Bored pile construction, soft clay will be protected in the bore hole by pressing steel sleeve with a vibrator. This method will be used in both the installation and removal of steel sleeve, when concrete was poured completely, causing the vibration force to exceed the value specified by laws, resulting in problems to neighboring residents and may damage the surrounding buildings as well. Therefore, there is concept in the development of innovation to reduce these problems.

The guideline for solving the problem, methods to improve available tools are used and the procedures for working are changed, in order not to cause vibration force with the following steps (See the illustration below).

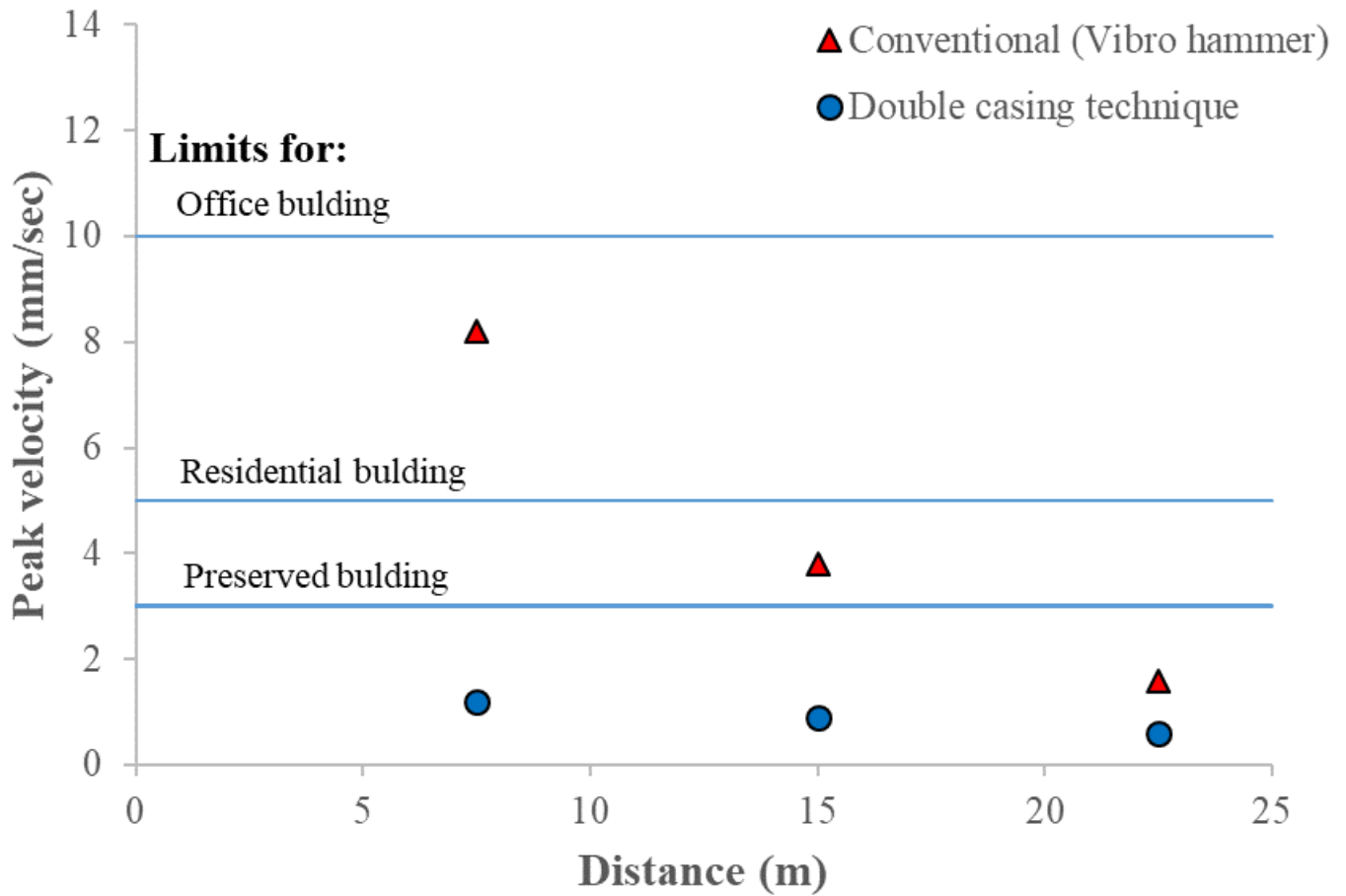
The benefits of this innovation

- It can control vibration, to be lower than those specified by laws and prevent damage to neighboring buildings, see the illustration below.
- It can use existing machinery to work, without the need to import special machinery to install steel sleeves, without vibration force.
- It can reduce the problem of eccentric pile, due to double layer steel sleeve and there is drilling of pilot soil.



B) The method of making bored piles is usually by inserting a Vibro hammer to press the steel casing that causes vibrations of more than 5 mm./sec.

A) Method of making bored piles environmentally friendly without using Vibro hammer to press the ferrule which causes the vibration to be reduced by more than 75% than normal.



The results of vibration measurement comparing between the old method (Vibro hammer) and the new method that is environmentally friendly Double casing)



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There is preparing of report of the amount of recycled materials.



M CONCRETE

บริษัท เอ็ม คอนกรีต จำกัด

Project Title : โครงการพัฒนาพื้นที่ส่วนขยาย ศูนย์ราชการเฉลิมพระเกียรติ ๘๐ พรรษา ๕ ธันวาคม ๒๕๕๐
โซนซี สัญญา 1.1.2 งานเสาเข็มค้ำยันคานหล่อ
Subject : Recycled Content
To : Project Manager
Seafco Public Company Limited

This is confirm that M Concrete Co.,Ltd supplied ready-mixed concrete for โครงการพัฒนาพื้นที่ส่วนขยาย ศูนย์ราชการเฉลิมพระเกียรติ ๘๐ พรรษา ๕ ธันวาคม ๒๕๕๐ โซนซี สัญญา 1.1.2 งานเสาเข็มค้ำยันคานหล่อ size from onsite production plant Raw materials used for concrete production are extracted from Thailand and is within the distance as per following details.

- 1) Cement from M Concrete Co.,Ltd., Slam City Cement Co.,Ltd., Saraburi province and distance to site is 120 kilometers
- 2) Coarse aggregate (rock) from Saraburi crushing plant, Saraburi province and distance to site is 120 kilometers
- 3) Fine aggregate (sand) from Angthong province and distance to site is 90 kilometers
- 4) Pulverized Fuel Ash (PFA) from Maemoh EGAT at Lampang province and distance to site is 615 kilometers

The ready-mixed concrete is manufactured at onsite concrete production plant

This is confirm that the ready-mixed concrete supplied by M Concrete Co.,Ltd to โครงการพัฒนาพื้นที่ส่วนขยาย ศูนย์ราชการเฉลิมพระเกียรติ ๘๐ พรรษา ๕ ธันวาคม ๒๕๕๐ โซนซี สัญญา 1.1.2 งานเสาเข็มค้ำยันคานหล่อ site comprised of pre - consumer recycled content, Pulverized Fuel Ash (PFA) as per following detail.

NO	Product Code	Strength (ksc)		CEMENT (kg)	FLY ASH (kg)	Recycled Content	
		Cylinder	Cube			% By weight Of Cement	% By weight Of Concrete
1	M32005BBF20	320	280	375	75	20	3
2	M38005BBF20	380	320	400	80	20	3

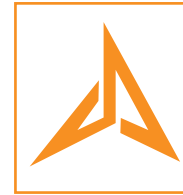
Thanks for considering our products

Sincerely yours,



[Signature]
Quality Control Department Manager

M Concrete Co.,Ltd

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17 January 2020

Refer no. : ORC/QC/003/2020/A

Project Title : The Government Complex Commemorating His Majesty The King's 80th Birthday Anniversary, 5th December, B.E. 2550(2007), Zone C North Project.

Subject : Recycled content and Regional Materials

To : Project Manager

Cc : Seafco Public Company Limited

: Whom it may concern

Dear Sirs,

Referring from your requirement about recycled content in our ready mix concrete for The Government Complex Commemorating His Majesty The King's 80th Birthday Anniversary, 5th December, B.E. 2550(2007), Zone C North Project, we would like to inform you that ORC concrete is mixed of from lot of materials. One of them is namely Pulverized Fuel Ash (PFA) which is by product from lignite combustion process in Mae Moh electric power plant in Lampang province.

Pre-consumer recycled content of concrete code B3225F20A is 20% by weight of cement or 3.25% by weight of concrete. Moreover, ORC concrete is 100% regional materials in Thailand. The details of regional materials are described below.

Product Code	Cement (kg.)	Fly Ash (kg.)	Recycled Content	
			% By weight of Cement	% By weight of concrete
B3225F20A	312	78	20.0%	3.25%

The details of regional raw materials and is within the distance as per following described below

Regional Material	Source
Portland Cement Type I	Distance from Siam City Cement Co.,Ltd., Saraburi Province to Project Site, Bangkok is 116 km.
Fine Aggregate (Sand)	Distance from Petch Sai Thong sand pits, Phra Nakhon Si Ayutthaya Province to Project Site, Bangkok is 67.2 km.
Coarse Aggregate (Rock)	Distance from, Sila Petch Ploy Dee crushing plant, Suphan buri Province to Project Site Bangkok is 117 km.
Pulverized Fuel Ash (PFA)	Distance from EGAT, Mae Moh, Lampang Province to Project Site, Bangkok is 607 km.



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The distance from our production plants to the construction site are show below.

1. Onsite production plant.
2. Pracha Chuen production plant which is approximately 6.7 km.
3. Muangthong production plant which is approximately 9.1 km.

ORC Premier Co., Ltd. guarantees that our product has contained recycled content is 3.25% by weight of concrete and used 100% regional raw materials according to your concept of Green Building and Environmental Friendly.

Finally, thank you for your kind attention. Furthermore, if you have any more questions on our letter, please do not hesitate to contact us.

Sincerely yours,


(Mr. Anirut Prasertsung)
(Technical Engineer)
ORC Premier Co.,Ltd.

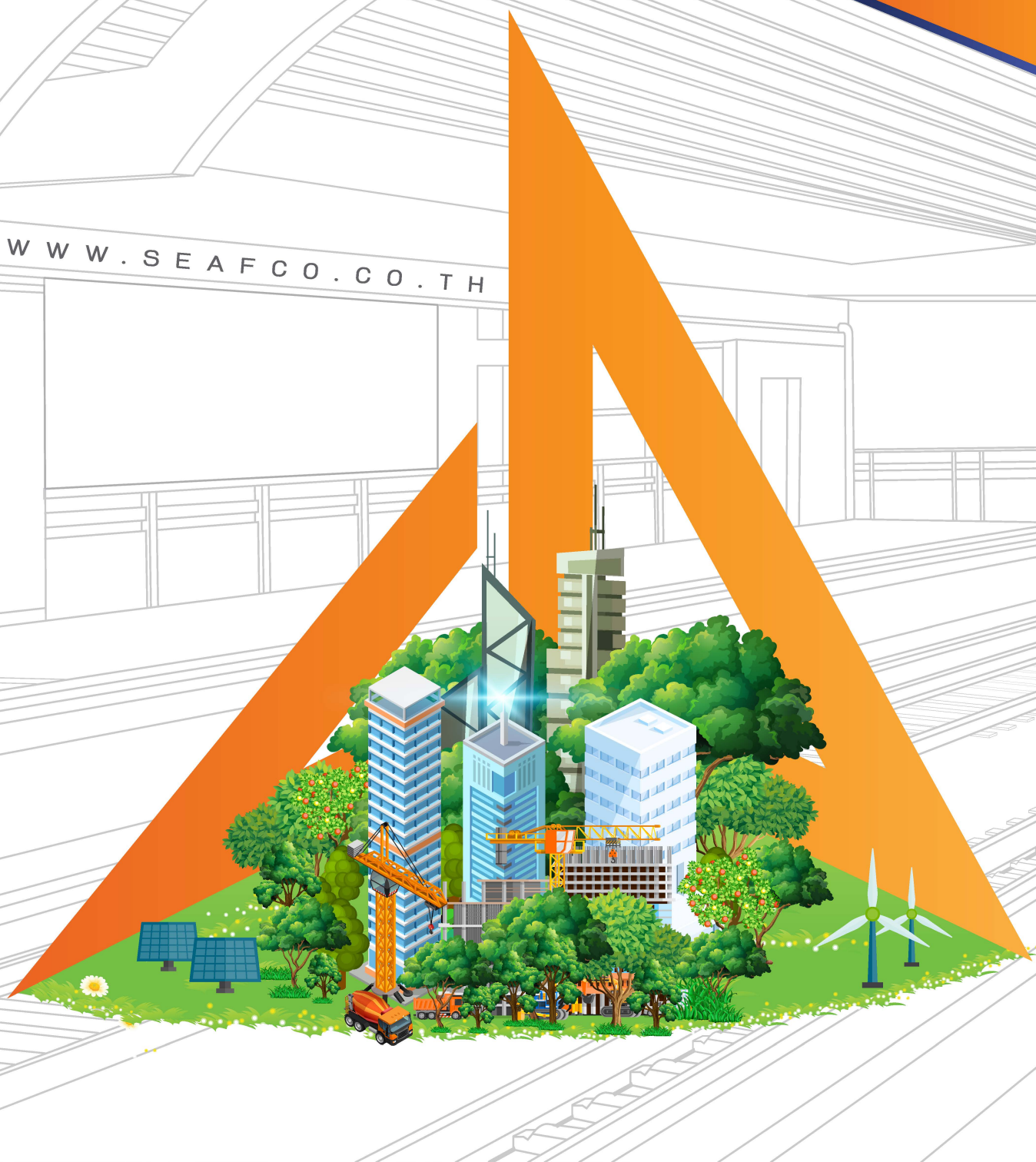
Meditation teacher project of the Willpower Institute of Luang Pho Wiriyang Siritharo, Branch 47.



Savings Promotion Project, together with the Government Savings Bank, to open savings accounts for employees who are interested.



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