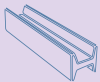




STP&I Public Company Limited



# Value Added for all, Sustainable Growth Together

ANNUAL REPORT 2023  
(FORM 56-1 ONE REPORT)

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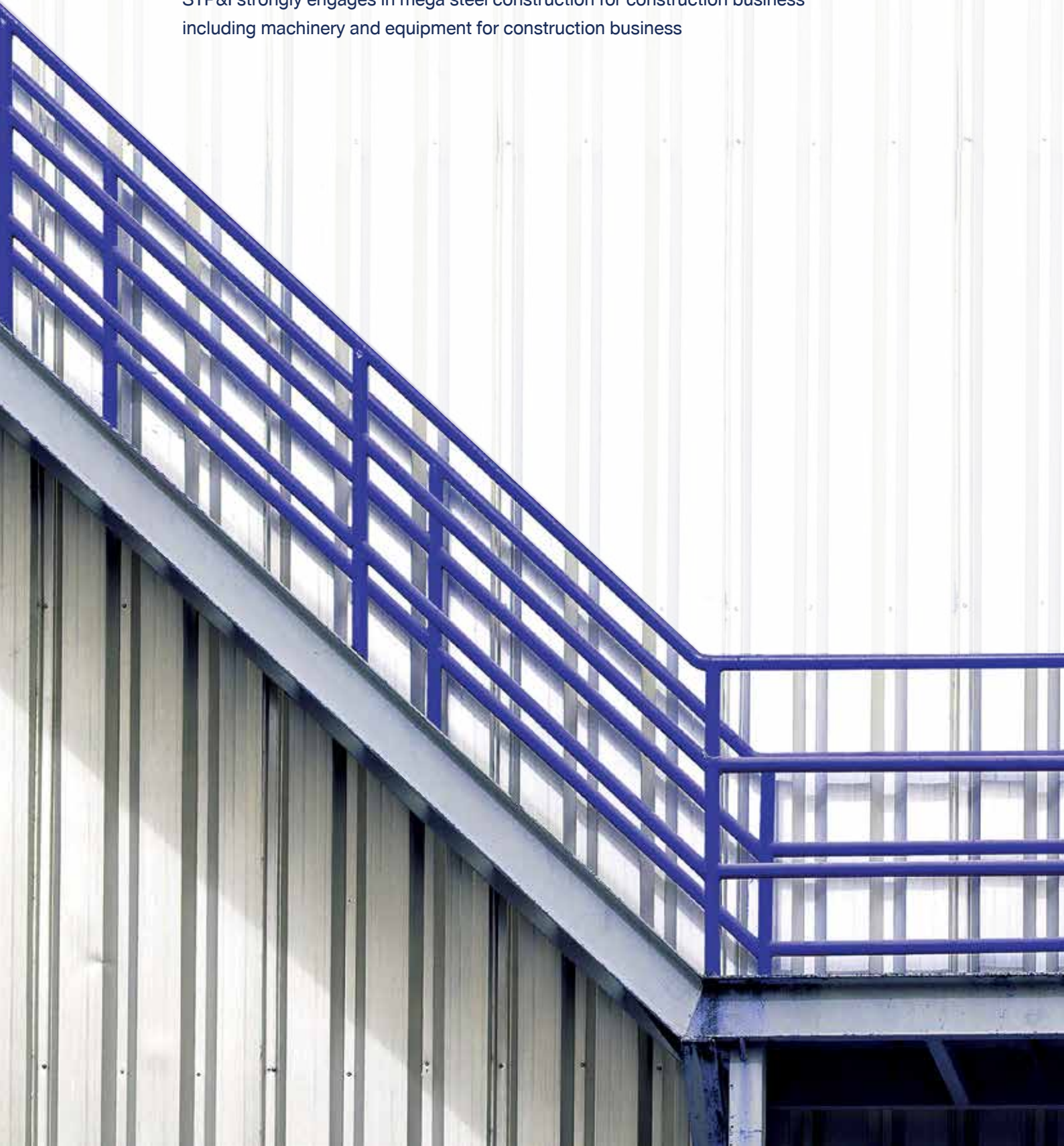
## VISION

To be a leader in steel construction module for export especially in energy sector and to continue sustainability growth which create value added to all parties

---

## MISSION

STP&I strongly engages in mega steel construction for construction business including machinery and equipment for construction business





# Contents

## Overview

Messages from Managing Director	3
Company Information	4
Financial Highlight	5
Board of Directors and Executive Committee and Managements	7
Profiles Board of Directors and Executive Committee	9

## 1. Business Operations and Performance

1. Structure and Business Operations	25
2. Risk Management	57
3. Business Sustainability	67
4. Management Discussion and Analysis (MD&A)	89
5. Other Reference	109

## 2. Corporate Governance

6. Corporate Governance Policy	114
7. Corporate Governance Structure and Important Information about the Board Sub-Committees, Management, Employees and Others	153
8. Corporate Governance Report	167
9. Internal Control and Related Transactions	176

## 3. Report and Consolidated Financial Statements

Independent Auditor's Report	187
Financial Statements and Notes to Consolidated Financial Statement	193

## Appendix

Appendix 1 Board of Directors and Management	277
Appendix 2 Information of Subsidiaries' Directors	278
Appendix 3 Details of Head of Internal Audit and Head of Compliance Department	280
Appendix 4 Review of Business Assets	282
Appendix 5 Report of Corporate Governance Policy	283
Appendix 6 Report of the Audit Committee	287
Appendix 7 Report of the Nomination and Remuneration Committee	289
Appendix 8 Report of Board of Director on the Company's Financial Statement	291
Appendix 9 Company Policies, Charter of the Board of Directors and Sub-Committee	292





## Message from Managing Director

In 2023, the global economic outlook fluctuated significantly due to various crises. The Russia-Ukraine conflict, conflicts in the Middle East, high interest rates and inflation, a slowdown in China's economy, and rising energy and oil prices that have raised production costs have affected the overall economy has not been able to grow optimally. Nevertheless, the Company has started receiving invitations to bid for large steel structure projects (modules), decommissioning projects, oil drilling rigs, and infrastructure projects in Thailand, which is a good sign for the prospects of obtaining various projects. In addition, the Company remains committed to its goal of corporate development for strength and sustainability with focus on maintaining project performance with high quality that meets standards with safety, punctual delivery, and controllable costs.

The Company has sought new business opportunities to generate recurring income. In 2023, the Company invested in the following clean energy businesses:

- The Monsoon is a 600-megawatt Wind Power Project in the Lao People's Democratic Republic that operates in the business of generating and selling electricity under power purchase agreements to the Vietnam Electricity Authority (Vietnam Electricity) in Vietnam. The Company is the ultimate shareholder with a proportion of 15.87% of the paid-up registered capital of MWPC. The project is under construction and the Commercial Operation Date is targeted for the end of 2025.
- The solar roof power generation business in Thailand in both PPA and construction contractors, the Company is the shareholder at a proportion of 50% of the paid-up registered capital in Impact Solar Group Limited ("ISG"). ISG is the pioneer of PPA solar roof for private company and has experienced and serviced more than 100 MW in Thailand.

The Company has fully devoted its efforts to making adjustments in the organization to be agile, ready for new business expansion, and aimed at building financial stability by thoroughly and carefully studying business opportunities and having specialized experts in on a case-by-case basis to ensure that investments provide appropriate returns in the long term with acceptable risk management in the best interests of shareholders and stakeholders.

On behalf of the Board of Directors and Management, I would like to thank all stakeholder groups for their constant trust and support in the Company's operations. Our directors, executives and employees will be committed to business growth based on sustainable corporate development and adherence to good governance principles for the Company to grow steadily and create added value for shareholders in the long run.

**Masthawin Charnvirakul**  
Director, Executive Director,  
Risk Management Committee, Managing Director





## Company Information

<b>Company name</b>	: STP&I Public Company Limited
<b>Types of Business</b>	: Steel Structure Fabrication Piping Fabrication Process Module
<b>Address</b>	: 32/24, Sino-Thai Tower, 3rd Floor, Sukhumvit 21 Road (Asoke), Klongtoey-Nua, Wattana, Bangkok 10110 Thailand
<b>Company registration number</b>	: 0107538000452 (Bor Mor Jor 568)
<b>Telephone</b>	: +66 (0) 2260 -1181
<b>Facsimile</b>	: +66 (0) 2260 -1182
<b>e-mail</b>	: contact@stpi.co.th
<b>website</b>	: www.stpi.co.th
<b>Registered Capital</b>	: 400,329,375 Baht including 1,601,317,500 common shares at 0.25 Baht Par Value (as of 31 Dec. 2023)
<b>Paid-up Capital</b>	: 400,327,644.50 Baht including 1,601,310,578 common shares at 0.25 Baht Par Value (as of 31 Dec. 2023)





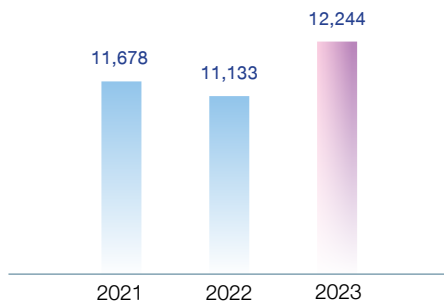
# FINANCIAL HIGHLIGHT

		For the year ended 31 December		
		2021	2022	2023
<b>Financial Position</b>				
Total assets	(Mil.Baht)	11,678	11,133	<b>12,244</b>
Total liabilities	(Mil.Baht)	3,721	3,384	<b>4,424</b>
Total shareholders' equity	(Mil.Baht)	7,957	7,749	<b>7,820</b>
Equity attributable to owners of the Company	(Mil.Baht)	7,715	7,548	<b>7,696</b>
<b>Operating Result</b>				
Revenues from Fabrication Work, Sales and Services, Rental of Property	(Mil.Baht)	2,259	3,756	<b>3,888</b>
Cost of Fabrication Work, Sales and Services, Rental of Property	(Mil.Baht)	1,746	3,383	<b>3,206</b>
Gross Earnings	(Mil.Baht)	513	373	<b>682</b>
Factory overhead expenses not allocate to cost of fabrication work	(Mil.Baht)	172	190	<b>191</b>
Other income	(Mil.Baht)	110	58	<b>107</b>
Gain (Loss) on foreign exchange	(Mil.Baht)	187	(93)	<b>(49)</b>
Gain on sales of investment properties	(Mil.Baht)	136	-	<b>-</b>
Selling, Administrative and Other expenses	(Mil.Baht)	347	392	<b>422</b>
Operating profit (loss)	(Mil.Baht)	427	(244)	<b>127</b>
Share of loss from investments in joint ventures	(Mil.Baht)	-	-	<b>(29)</b>
Share of profit from investments in associate	(Mil.Baht)	4	28	<b>23</b>
Finance income	(Mil.Baht)	62	69	<b>61</b>
Finance cost	(Mil.Baht)	(78)	(38)	<b>(62)</b>
Income tax benefit (expenses)	(Mil.Baht)	(142)	(6)	<b>5</b>
Loss attributable to Non-controlling interests of the subsidiaries	(Mil.Baht)	(47)	(46)	<b>(76)</b>
Profit (Loss) attributable to Equity holders of the Company	(Mil.Baht)	320	(145)	<b>201</b>
<b>Financial Ratio</b>				
Gross Profit	(%)	22.72	9.94	<b>17.54</b>
Net Profit (Loss) Margin	(%)	11.90	(3.80)	<b>5.03</b>
Return on Asset	(%)	2.25	(1.67)	<b>1.07</b>
Return on Equity	(%)	4.24	(1.90)	<b>2.64</b>
Debt/Equity Ratio	(Times)	0.48	0.45	<b>0.57</b>
<b>Share Information</b>				
Earnings (Loss) per Share <sup>1)</sup>	(Baht)	0.20	(0.09)	<b>0.13</b>
Book Value per Share <sup>2)</sup>	(Baht)	4.83	4.72	<b>4.81</b>
Dividend per Share	(Baht)	N/A	N/A	<b>N/A</b>

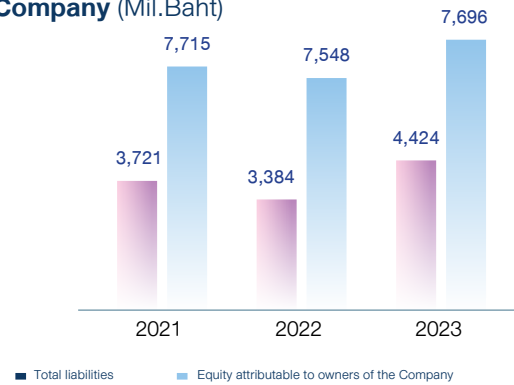
**Remark :**

- 1) Earnings (loss) per Share = Profit (loss) for the year attributable to equity holders of the Company divided by the weighted average number of ordinary shares in issue during the year, net of the treasury shares held by the Company.
- 2) Book Value per Share = Equity attributable to owners of the Company divided by weighted average of number of ordinary shares as described in 1) above

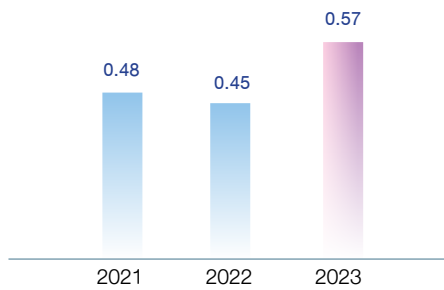
### Total assets (Mil.Baht)



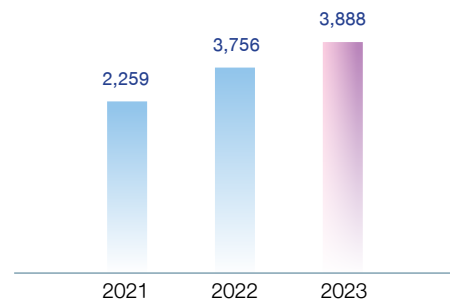
### Total liabilities and Equity attributable to owners of the Company (Mil.Baht)



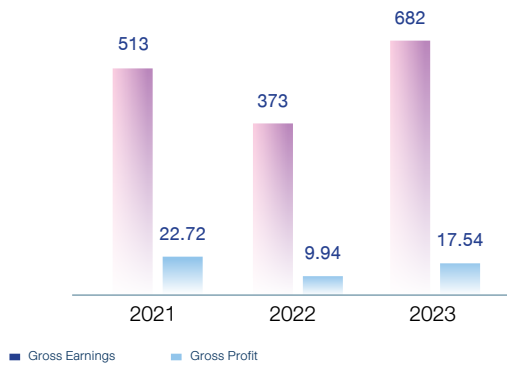
### Debt/Equity Ratio (Times)



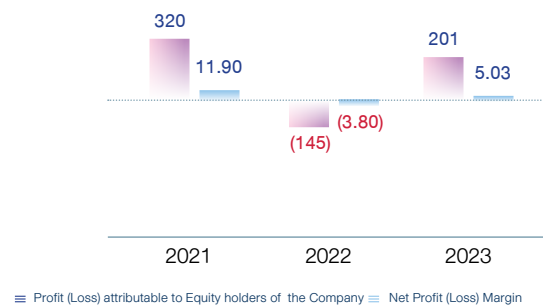
### Revenues from Fabrication Work, Sales and Services, Rental of Property (Mil.Baht)



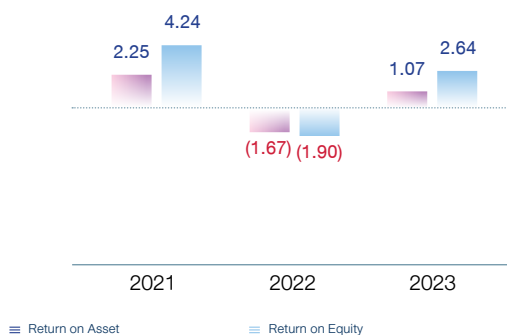
### Gross Earnings (Mil.Baht) and Gross Profit (%)



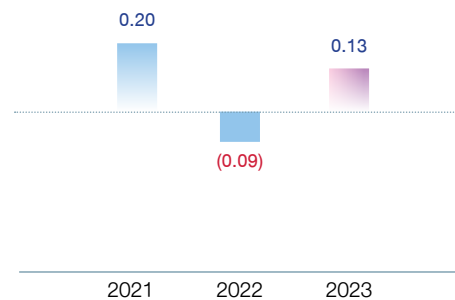
### Profit (Loss) attributable to Equity holders of the Company (Mil.Baht) and Net Profit (Loss) Margin (%)



### Return on Asset and Return on Equity (%)



### Earnings (Loss) per Share (Baht)







## Board of Directors



**1. Mr. Chavarat Charnvirakul**

Chairman of the Board

**2. Dr. Wicha Jiwalai**

Independent Director and  
Chairman of the  
Audit Committee

**3. Police General Jate  
Mongkolhutthi**

Independent Director,  
Chairman of Nomination  
and Remuneration Committee,  
Member of Audit Committee,  
Risk Management Committee

**4. Miss Sirangrong  
Chowiwatana**

Independent Director,  
Member of Audit Committee,  
Nomination and  
Remuneration Committee

**5. Mr. Chamni Janchai**

Director, Chairman of  
Risk Management Committee,  
Nomination and  
Remuneration Committee

**6. Mr. Masthawin Charnvirakul**

Director, Executive Director,  
Risk Management Committee,  
Managing Director

**7. Mr. Suwat Riensiriwan**

Director

**8. Mr. Choavalit Limpanich**

Director, Executive Director,  
Deputy Managing Director



## Executive Committee and Managements



<b>1. Mr. Masthawin Charnvirakul</b>	Director, Executive Director, Risk Management Committee, Managing Director	<b>5. Ms. Supattra Yangtrong</b>	Executive Director, Finance & Accounting Department Manager
<b>2. Mr. Choavalit Limpanich</b>	Director, Executive Director, Deputy Managing Director	<b>6. Mrs. Anilrat Nitisaroj</b>	Executive Director, Business Development & Legal Department Manager
<b>3. LT. JG. Kitt Jungsangri</b>	Executive Director, Marketing & Estimation Department Manager	<b>7. Mr. Thammanoon Narind</b>	Fabrication Department Manager (Chonburi)
<b>4. Mrs. Atitaya Charnvirakul</b>	Executive Director, Administrative Department Manager and Corporate Secretary	<b>8. Mr. Supot Pongtong</b>	Fabrication Department Manager (Chonburi Rayong and Leamchabang Assembly Yard)
		<b>9. Mr. Tawan Chaisomtip</b>	Project Management Department Manager



# Profile Board of Directors and Executive Committee and Managements



## Mr. Chavarat Charnvirakul

Chairman of the Board

Age 87 Years

### Directorship

- Induction on 15 December 2018
- 2 Directorship period

### 2023 Meeting Attendance

- 8/8 Board of Director Meetings

### Stock Holding

- 56,906,765 shares, 3.55% (as of 31 Dec. 2023)

### Qualification

- Honorary Doctorate Degree in Management at Ramkhamhaeng University
- Bachelor of Science in Economics, Thammasat University
- Diploma, National Defence College, The Joint State - Private Sector (Course Class 3<sup>rd</sup>)
- Certificate of Role of the Chairman Program (RCP), Class 3<sup>rd</sup>, Thai Institute of Directors (IOD)
- Certificate of Director Certification Program (DCP) Class 17<sup>th</sup>, Thai Institute of Directors (IOD)
- Certificate of Finance for Non-Finance Director (FND) Class 22<sup>nd</sup>, Thai Institute of Directors (IOD)

### Experience

- Minister of Interior
- Act on behalf of Prime Minister
- Deputy of Prime Minister
- Deputy Minister of Public Health
- Minister of Social Development and Human Security
- Deputy Minister of Finance

- Party Leader of Phoom Jai Thai
- Vice Chairman of the Listed Companies Sub-Committee.
  - \* The Stock Exchange of Thailand
- Chairman of the Board of Advisors
  - \* Iron and Steel Institute of Thailand
- Chairman of the Board
  - \* South East Asia Iron and Steel Institute (SEAISI)
  - \* STP&I Public Company Limited
- **Advisory Board**
  - \* The Federation of Thai Industries
- **Director**
  - \* Krung Thai Bank Public Company Limited
  - \* United Motor Works (Siam) Public Company Limited
  - \* Phoenix Pulp & Paper Public Company Limited
  - \* Thai Glass Industries Public Company Limited
  - \* Thai Industrial Gases Public Company Limited
  - \* DHL Express International (Thailand) Limited

### Other position in listed company in SET:

- None

### Other position in non-listed companies

- Honorary Consul General of Papua New Guinea to Thailand

### Relationship with other Executives

- Father of Mr. Masthawin Charnvirakul (Director, Executive Director, Risk Management Committee and Managing Director)
- Father of Mrs. Anilrat Nitisaraj (Executive Director)

### Prohibited Qualifications/Committed an Offence

- None





## Dr. Wicha Jiwalai

Independent Director and  
Chairman of the Audit Committee

**Age 79 Years**

### Directorship

- Induction on 9 April 1999
- 9 consecutive directorship periods

### 2023 Meeting Attendance

- 8/8 Board of Director Meetings and 7/7 Audit Committee Meetings

### Stock Holding

- None

### Qualification

- Ph.D. (Geodetic Science), The Ohio State University, USA
- Master Degree of Geodetic Science, The Ohio State University, USA.
- Master Degree of Photogrammetric. Engineering, ITC, The Netherlands.
- B.Eng (Civil Engineering), Chulalongkorn University
- Certificate of Director Accreditation Program (DAP) Class 8<sup>th</sup>, Thai Institute of Directors (IOD)
- Certificate of Director Certification Program (DCP) Class 14<sup>th</sup>, Thai Institute of Directors (IOD)
- Certificate of Chairman 2000 (RCP) Class 13<sup>th</sup>, Thai Institute of Directors (IOD)
- Certificate of Audit Committee Program (ACP) Class 14<sup>th</sup>, Thai Institute of Directors (IOD)
- Certificate of Finance for Non-Finance Director (FND) Class 10<sup>th</sup>, Thai Institute of Directors (IOD)

### Experience

- Associated Professor and Head of Department of Survey Engineering, Faculty of Engineering, Chulalongkorn University
- Associated Governor of Bangkok Metropolitan
- Chairman of Director
  - \* Geo-Information and Space Technology Development Agency (Public Organization)

### Other position in listed company in SET:

- Chairman of the Audit Committee, Chairman of Nomination and Remuneration Committee
  - \* Thai Nondestructive Testing Plc.
- Audit Committee, Member of Nomination and Remuneration Committee
  - \* Thai Optical Group Plc.

### Other position in non-listed companies

- Chairman of the Board
  - \* Salintara Co., Ltd.
- Director
  - \* World Resort Co., Ltd.

### Relationship with other Executives

- None

### Prohibited Qualifications/Committed an Offence

- None



## Police General Jate Mongkolhutthi

Independent Director,  
Chairman of Nomination and Remuneration Committee,  
Member of Audit Committee,  
Risk Management Committee

**Age 71 Years**

### Directorship

- Induction on 9 April 1999
- 8 consecutive directorship periods

### 2023 Meeting Attendance

- 8/8 Board of Director Meetings
- 7/7 Audit Committee Meetings
- 1/1 Risk Management Committee Meeting
- 1/1 Nomination and Remuneration Committee Meeting

### Stock Holding

- None

### None

- Bachelor of Civil Law, Ramkhamhaeng University
- Master of Law, Chulalongkorn University
- Certificate of Advanced courses Police Administration Class 16<sup>th</sup>
- Certificate of Advanced Development Management Course Class 7<sup>th</sup> (NIDA)
- Certificate of The National Defence College (NDC 45)
- Certificate of Program on judicial administration for the director general public prosecutor 6th Training, Office of The Attorney General
- Certificate of Director Accreditation Program (DAP) Class 8<sup>th</sup>, Thai Institute of Directors (IOD)
- Certificate of Audit Committee Program (ACP) Class 14<sup>th</sup>, Thai Institute of Directors (IOD)
- Certificate of Finance for Non - Finance Directors (FND) Class 30<sup>th</sup>, Thai Institute of Directors (IOD)
- Certificate of Director Certificate Program (DCP) Class 117<sup>th</sup>, Thai Institute of Directors (IOD)
- Certificate of Board Nomination and Compensation Program (BNCP) Class 15<sup>th</sup>, Thai Institute of Directors (IOD)

### Experience

- Advisor (Sor.Bor.10) in Law and Investigation, Office of Commissioner General, Royal Thai Police
- Director (Independent Director)  
\* Government Housing Bank
- Director (Independent Director)  
\* Liquor Distillery Organization Excise Department
- Director (Independent Director)  
\* The Market Organization under the Ministry of Interior
- Member of University Council  
\* Valaya Alongkorn Rajabhat University
- Director (Independent Director)  
\* Government Housing Bank
- Commission official information  
\* Board Information Act Official 2540
- Consultants  
\* National Credit Bureau Co., Ltd.
- Independent Director and Member of the Audit Committee  
\* Southeast Insurance Plc.
- Chairman of the Board  
\* One Power Pcl.

### Other position in listed company in SET:

- Independent Director and Member of the Audit Committee  
\* Sino-Thai Engineering and Construction Plc.
- Independent Director and Chairman of Risk Management Committee  
\* Thai Group Holdings Public Company Limited
- Chairman of the Board  
\* Lease It Plc.

### Other position in non-listed companies

- Independent Director and Member of the Audit Committee  
\* Southeast Life Insurance Plc.
- Chairman of the Board  
\* Prestige 2015 Company Limited

### Relationship with other Executives

- None

### Prohibited Qualifications/Committed an Offence

- None



## Miss Sirangrong Chowiwatana

Independent Director and Member of Audit Committee,  
Nomination and Remuneration Committee

Age 46 Years

### Directorship

- Induction on 10 August 2017
- 2 consecutive directorship periods

### 2023 Meeting Attendance

- 8/8 Board of Director Meetings
- 7/7 Audit Committee Meetings
- 1/1 Nomination and Remuneration Committee Meeting

### Stock Holding

- None

### Qualification

- Master Degree of MBA (Summa Cum Laude) California State University, USA
- B.A. (Accounting), Second Class Honors, Thammasat University
- Bachelor of Public Health Program (Occupational Health and Safety) Sukhothai Thammathirat Open University
- C.P.A. License No. 6406
- The safety officer in professional level
- Certificate of Director Accreditation Program (DAP) Class 142/2017, Thai Institute of Directors (IOD)
- Certificate of Director Certification Program (DCP) Class 252/2018, Thai Institute of Directors (IOD)
- Certificate of Advanced Audit Committee Program (AACP) Class 28/2018, Thai Institute of Directors (IOD)
- Senior executive program justice Class 24th, Judicial Training Institute
- Intermediate Certificate Courses – Good Governance for Medical Executives Class 9, King Prajadhipok's Institute
- Top Executive Program on China Business Insights and Network (T E P C I A N) Class 1st, Thai Chamber of Commerce And University of the Thai Chamber of Commerce
- TISCO Wealth Enhancement Program Class 1st, TISCO Bank Public Company Limited

- Ultra Wealth 2<sup>nd</sup> The Faculty of Economic Chulalongkorn University
- Digital Edge Fusion (DEF) Class 2nd Sripatum University
- Academy of Business Creativity (ABC) Class 8<sup>th</sup> Sripatum University

### Experience

- Assistant Manager Investment Banking, KT ZMICO Securities Company Limited
- Senior Officer Strategic Planning, Pantavanij Co., Ltd.
- Senior Inspector, SGV-NA Thalung Office Co., Ltd. (Andersen)

### Other position in listed company in SET:

- None

### ตำแหน่งในบริษัทอื่น ที่ไม่ใช่บริษัทจดทะเบียน

- Executive Vice President  
\* Ch. Thawee Construction Co., Ltd.
- Managing Director  
\* Donmuang Karnchang Co., Ltd.  
\* Development Plus Co., Ltd.
- Secretary of the Transport Commission  
\* House of Parliament
- Advisor to the Energy Commission  
\* House of Parliament

### Relationship with other Executives

- None

### Prohibited Qualifications/Committed an Offence

- None





## Mr. Chamni Janchai

Director, Chairman of Risk Management Committee,  
Nomination and Remuneration Committee

**Age** 67 Years

### Directorship

- Induction on 9 April 1999
- 8 consecutive directorship periods

### 2023 Meeting Attendance

- 8/8 Board of Director Meetings
- 1/1 Risk Management Committee Meeting
- 1/1 Nomination and Remuneration Committee Meeting

### Stock Holding

- 21,892,433 shares, 1.36% (as of 31 Dec. 2023)

### Qualification

- Advance Certificate - Public Economic Management, Prajadhipok's Institute
- Master of Business Administration, Thammasat University
- B.A. (Accounting), Thammasat University
- Certificate of Director Accreditation Program (DAP), Class 30th, Thai Institute of Directors (IOD)
- Certificate of Role of the Chairman Program (RCP), Class 21st, Thai Institute of Directors (IOD)
- Certificate of Risk Management Program for Corporate Leader (RCL), Class 17th, Thai Institute of Directors (IOD)

### Experience

- Director and Deputy of Managing Director  
\* NTS Steel Group Plc.
- Vice President  
\* Nakorn Thai Strip Mill Plc.
- Qualified Director and Executive Director  
\* Iron and Steel Institute of Thailand
- Advisor to the Chairman of the Committee of Communications and Telecommunications.  
\* House of Representatives
- Advisor to the Board of Directors  
\* Iron and Steel Institute of Thailand
- Chairman  
\* Burapa Steel Industries Co., Ltd.  
\* Thai Capital Corporation Plc.  
\* Cannatory Co., Ltd.

- Advisor to the Board of Directors  
\* National Housing Authority
- Advisor to the Chairman of the Provincial Electricity Authority  
\* Provincial Electricity Authority
- Director and Audit Committee  
\* Thai Theparos Food Products Plc.
- Chairman of the Board  
\* Max Metal Corporation Plc.
- President  
\* CJ Morgan Co., Ltd.
- Director  
\* Betong Green Power Co., Ltd.  
\* Betong Biofuel Co., Ltd.  
\* Chumphon Biofuel Co., Ltd.
- Director and Chief Executive  
\* BMP Energy Pcl.
- President  
\* CJM Consult Co., Ltd.
- Independent Director and Member of Audit Committee  
\* RPCG Public Company Limited

### Other position in listed company in SET:

- Director and Chairman of Audit Committee  
\* Sino-Thai Engineering & Construction Plc.

### Other position in non-listed companies

- Director  
\* Impact Solar Group Limited  
\* Impact Solar Group (Thailand) Co., Ltd.  
\* Impact Solar Co., Ltd.

### Relationship with other Executives

- None

### Prohibited Qualifications/Committed an Offence

- None



## Mr. Masthawin Charnvirakul

Director, Executive Director,  
Risk Management Committee, Managing Director

Age 52 Years

### Directorship

- Induction since 1996
- 9 consecutive directorship periods

### 2023 Meeting Attendance

- 8/8 Board of Director Meetings
- 1/1 Risk Management Committee Meeting

### Stock Holding

- None

### Qualification

- MBA, University of Southern California, USA
- B.A. (Marketing), Chulalongkorn University
- Certificate of Director Accreditation Program (DAP), Class 1<sup>st</sup>, Thai Institute of Directors (IOD)
- Capital Market Academy No. 11
- Ultra Wealth 2nd The Faculty of Economic, Chulalongkorn University
- Top Executive Program in Commerce and Trade : TEPCoT Class 11<sup>th</sup>, Commerce Academy
- Advanced Master of Management Program Class 4, Graduate School of Public Administration , National Institute of Development Administration
- Top Executive Program for Creative & Amazing Thai Services (ToPCATS) Class 1<sup>st</sup>, University of the Thai Chamber of Commerce

### Experience

- Marketing Manager, SCC-Dow Chemical Joint Venture
- Director, Cannatory Co., Ltd.

### Other position in listed company in SET:

- – Director
  - \* Sino-Thai Engineering and Construction Plc.
  - \* Thai Solar Energy Public Company Limited

### Other position in non-listed companies

- Director/ Managing Director
  - \* STIT Co., Ltd.
- Chairman of the Board
  - \* Fill Up Network Co., Ltd.
  - \* ST Property & Logistics Co., Ltd.
- Director
  - \* Impact Monsoon Holdings Limited
  - \* Impact Solar Group Limited
  - \* Impact Solar Group (Thailand) Co., Ltd.
  - \* Impact Solar Co., Ltd.
  - \* Sino-Thai Development Co., Ltd.

### Relationship with other Executives

- Son of Mr. Chavarat Charnvirakul (Chairman of the Board)
- Spouse of Mrs. Atitaya Charnvirakul (Executive Director)
- Sibling of Mrs. Anilrat Nitisaroj (Executive Director)

### Prohibited Qualifications/Committed an Offence

- None



## Mr. Suwat Riensiriwan

Director

Age 70 Years

### Directorship

- Induction on 28 April 2006
- 6 consecutive directorship periods

### 2023 Meeting Attendance

- 8/8 Board of Director Meetings

### Stock Holding

- None

### Qualification

- B.Eng ( Mechanical ), Chulalongkorn University
- Mini MBA, Thammasat University, Class 17th
- Certificate of Director Accreditation Program (DAP), Class 55th, Thai Institute of Directors (IOD)
- Certificate of Understanding the Fundamental of Finance Statement, Class 3rd, Thai Institute of Directors (IOD)
- Certificate of Director Certification Program (DCP), Class 140th, Thai Institute of Directors (IOD)

### Experience

- Associated General Manager
  - \* Sino-Thai Pressure Vessel and Iron Works Co., Ltd.
- Director and Managing Director
  - \* STIT Co., Ltd.
- Director/ Executive Director
  - \* STIT Co., Ltd.
- Director
  - \* STP&I Services Co., Ltd.
- Deputy Managing Director
  - \* STP&I Public Company Limited

### Other position in listed company in SET:

- None

### Other position in non-listed companies

- None

### Relationship with other Executives

- None

### Prohibited Qualifications/Committed an Offence

- None





## Mr. Choavalit Limpanich

Director, Executive Director, Deputy Managing Director

Age 64 Years

### Directorship

- Induction on 23 April 2010
- 5 consecutive directorship periods

### 2023 Meeting Attendance

- 8/8 Board of Director Meetings

### Stock Holding

- 64,899,995 shares, 4.05% (as of 31 Dec 2023)

### Qualification

- MBA, National Institute of Development Administration (NIDA)
- B.Eng. (Mechanical), Prince of Songkla University
- Certificate of Director Accreditation Program ( DAP ), Class 99th, Thai Institute of Directors (IOD)

### Experience

- Plant Engineer
  - \* Kao Industrial (Thailand) Co., Ltd.
- Mechanical Engineer
  - \* Sino-Thai Engineering and Construction Public Co., Ltd.
- Technical Manager
  - \* Sino-Thai Pressure Vessel and Iron Works Co., Ltd.
- Director of Operations/ Plant Management (Chonburi)
  - \* STP&I Public Company Limited
- Director
  - \* Thai Maintenance Contracting Co., Ltd.
  - \* Cannatory Co., Ltd.

### Other position in listed company in SET:

- None

### Other position in non-listed companies

- Director
  - \* STP&I Services Co., Ltd.
  - \* WPGE Phetchaburi Co., Ltd.
  - \* STIT Co., Ltd.
  - \* ST Property & Logistics Co., Ltd.
  - \* ST Clean Planet Co., Ltd.
  - \* ST Evolution Pte. Ltd.
  - \* ST Clean Planet (Asia) Limited
- President
  - \* Fill Up Network Co., Ltd.
- Chairman of the Board
  - \* SinoPower Co., Ltd.

### Relationship with other Executives

- None

### Prohibited Qualifications/Committed an Offence

- None



## LT. JG. Kitt Jungsangri

Executive Director,  
Marketing & Estimation Department Manager

Age 60 Years

### Stock Holding

- 16,224,995 shares, 1.01% (as of 31 Dec. 2023)

### Qualification

- MBA, Chulalongkorn University
- Master of Engineering,  
King Mongkut Institute of Technology
- B.Eng (Mechanical), Chiang Mai University

### Experience

- Designing and Planning Engineer  
\* King Rama 5 Naval Dock Yard, Naval Dock Yard Bureau,  
Royal Thai Navy
- Engineer  
\* Sino-Thai Pressure Vessel and Iron Works Co., Ltd.
- Deputy Managing Director  
\* STIT Co., Ltd.

### Other position in listed company in SET:

- None

### Other position in non-listed companies

- Director  
\* STP&I Services Co., Ltd.  
\* WPGE Phetchaburi Co., Ltd.  
\* ST Clean Planet Co., Ltd.  
\* ST Evolution Pte. Ltd.  
\* ST Clean Planet (Asia) Limited

### Relationship with other Executives

- None

### Prohibited Qualifications/Committed an Offence

- None



## Mrs. Atitaya Charnvirakul

Executive Director, Administrative Department Manager  
and Corporate Secretary

Age 51 Years

### Stock Holding

- None

### Qualification

- MBA, University of Southern California, USA
- B.A. (Accounting), Chulalongkorn University

### Experience

- Finance and Accounting Manager/  
Auditing and Controlling Cost Manager  
\* STP&I Public Company Limited
- Director  
\* STIT Co., Ltd.

### Other position in listed company in SET:

- None

### Other position in non-listed companies

- Director  
\* WPGE Phetchaburi Co., Ltd.  
\* ST Hill Co., Ltd.  
\* ST Hub Co., Ltd.  
\* Sinopower Co., Ltd.  
\* Growth Warehouse Co., Ltd.
- Director, Executive Vice President  
\* Fill Up Network Co., Ltd.
- Director, Chief Executive Office  
\* ST Property & Logistics Co., Ltd.

### Relationship with other Executives

- Spouse of Mr. Masthawin Charnvirakul, (Director, Executive Director, Risk Management Committee, Managing Director)

### Prohibited Qualifications/Committed an Offence

- None





## Ms. Supattra Yangtrong

Executive Director, Finance & Accounting Department  
Manager, Person who has been assigned the highest  
responsibility in accounting and finance,  
Investor Relations

**Age 48 Years**

### Stock Holding

- 2,000 shares, 0.00012% (as of 31 Dec. 2023)

### Qualification

- Master of Accountancy, Chulalongkorn University
- B.A. (Accounting), Thammasat University
- Tax Auditor
- Strategic CFO in Capital Markets

### Experience

- Finance & Accounting Section Manager
  - \* STP&I Public Company Limited
- Revenue Officer
  - \* The Revenue Department
- Chief Financial Officer
  - \* Sinopower Co., Ltd.

### Other position in listed company in SET:

- None

### Other position in non-listed companies

- Director
  - \* WPGE Phetchaburi Co., Ltd.
  - \* Fill Up Network Co., Ltd.
  - \* STIT Co., Ltd.
  - \* ST Property & Logistics Co., Ltd.
  - \* Growth Warehouse Co., Ltd.
  - \* STIT 2011 Co., Ltd.
- Chief Financial Officer
  - \* Impact Solar Group Limited

### Relationship with other Executives

- None

### Prohibited Qualifications/Committed an Offence

- None



## Mrs. Anilrat Nitisaroj

Executive Director,  
Business Development & Legal Department Manager

Age 48 Years

### Stock Holding

- 67,486,724 shares, 4.21% (as of 31 Dec. 2023)

### Qualification

- MBA Finance & Strategy Sloan School of Management  
Massachusetts Institute of Technology USA.
- B.A. ( Accounting ), Chulalongkorn University

### Experience

- Commercial Manager  
\* Clough Sino-Thai Co., Ltd.
- Director and Executive Director  
\* Sino-Thai Engineering and Construction Public Co., Ltd.
- Managing Director  
\* Cannatory Co., Ltd.

### Other position in listed company in SET:

- None

### Other position in non-listed companies

- Director  
\* WPGE Phetchaburi Co., Ltd.  
\* ST Property & Logistics Co., Ltd.  
\* ST Hill Co., Ltd.  
\* ST Hub Co., Ltd.  
\* Growth Warehouse Co., Ltd.  
\* Impact Monsoon Holdings Limited
- Director and Chief Executive Officer  
\* Sinopower Co., Ltd.

### Relationship with other Executives

- Daughter of Mr. Chavarat Charnvirakul  
(Chairman of the Board)
- Sibling of Mr. Masthawin Charnvirakul (Director, Executive  
Director, Risk Management Committee, Managing Director)

### Prohibited Qualifications/Committed an Offence

- None



## Mr. Thammanoon Narind

Fabrication Department Manager (Chonburi )

Age 55 Year

### Stock Holding

- None

### Qualification

- MBA, National Institute of Development Administration (NIDA)
- B.Eng (Industrial), Prince of Songkla University

### Experience

- Engineer
  - \* Sino-Thai Pressure Vessel and Iron Works Co., Ltd.
- Administrative Manager/ Engineering Manager/ QA/ QC Manager
  - \* STP&I Public Company Limited
- Windsurf Production Manager/ Production section Manager 6
  - \* Cobra International Co., Ltd.

### Other position in listed company in SET:

- None

### Other position in non-listed companies

- Deputy Managing Director
  - \* STIT Co., Ltd.

### Relationship with other Executives

- None

### Prohibited Qualifications/Committed an Offence

- None



## Mr. Supot Pongtong

Fabrication Department Manager  
(Rayong Sriracha and Leamchabang Assembly Yard)

**Age 57 Years**

### Stock Holding

- None

### Qualification

- Bachelor of Industrial Engineering, Prince of Songkla University

### Experience

- Construction Section Manager  
\* STP&I Public Company Limited

### Other position in listed company in SET:

- None

### Other position in non-listed companies

- None

### Relationship with other Executives

- None

### Prohibited Qualifications/Committed an Offence

- None





## Mr. Tawan Chaisomtip

Project Management Department Manager

Age 51 Years

### Stock Holding

- None

### Qualification

- Master of Engineering, Chiang Mai University  
King Mongkut's University of Technology North Bangkok

### Experience

- Project Controls Manager ( Asia Pacific )  
\* Global Industries Offshore (Thailand) Ltd.
- Senior Project Controls Engineer  
\* Clough Thailand Co., Ltd.
- Technical Engineer  
\* Thai Nippon Steel & Sumikin  
\* Engineering & Construction Corp., Ltd.

### Other position in listed company in SET:

- None

### Other position in non-listed companies

- None

### Relationship with other Executives

- None

### Prohibited Qualifications/Committed an Offence

- None

01

## Business Operations and Performance



## 1. Structure and operation of the company group

### 1.1 Policy and business overview

STP&I Public Company Limited was established in 1975, with over 48 years of experience, the Company has provided customers with professional manufacturing of customized quality steel fabrication including Steel Structure, Piping Fabrication and Process Module such as Modules, Tank, Pressure Vessel, and Boiler. One of STP&I's strengths is its capability to fabricate large built-up beam steel for huge infrastructure and heavy industry projects such as power plants, refineries, high-rise buildings, roof structures, bridges, elevated highways, and airports.

STP&I operates four production plants include Steel Structure fabrication plants in Chonburi and Rayong, Piping fabrication shop in Sriracha and Assembly yard at Laem Chabang Port. With a total capacity of 100,000 ton /year, STP&I has used its capacity at 45% in year 2023.

#### 1.1.1 Mission

STP&I strongly engages in mega steel construction for construction business including machinery and equipment for construction business

#### Vision

To be a leader in steel construction module for export especially in energy sector and to continue sustainability growth which create value added to all parties

#### Corporate Objective / Long Term Goal

To be a leader in steel fabrication of large steel structure with standard for mega project around the world with all-time competitiveness and development

1. To satisfy customer on production aspect;
  - (a) Standardized quality of products
  - (b) On time delivery
  - (c) Budget control
  - (d) Without loss time injury

2. Sustainable growth by seeking new opportunities that has strong growth and continuously generated income.
3. Sustainable organizational development focus on environment, social and corporate governance.

### **Strategy**

The Company's strategy for sustainable growth are as follows:

1. Concentrated on customer satisfaction, on-time delivery, and no Loss Time Injury
2. Efficient management and people
3. Maintain strong financial position and management
4. Seeking new businesses that continuously generated income growth business in renewable energy industry and property development and logistics. And businesses that provide investment returns suitable for the current competitive environment
5. Emphasize the sustainable development of the organization by educating company employees.

### **Business Goal, Environmental and Social Goal**

The company is aware of its operations. to have continuous income growth Including expanding investment in new businesses to diversify business risks and create continuous income and to have operations that focus on safety, the environment, and good society Policy, guidelines, follow-up and development in safety are established. Environment and Society Provide knowledge and training on safety and the environment Campaigning for everyone to participate in reducing environmental impacts.

In 2023, the company continues to be a leader in the large steel structure fabrication business by continuously receiving project work and has continued income until the present. In addition, the company has implemented its goals and strategies. in expanding business to the renewable energy business and property development and logistics businesses. It is considered a risk distribution for the group of companies as well as effectively maintaining the company's financial liquidity. Since the company has established 3 subsidiaries in overseato support investment in the MONSOON wind power plant 600 megawatts, and establish a company in 2023 and invest in the business of producing electricity from solar energy in Thailand. In addition, there is an expansion of Ready Built warehouse rental space in Khon Kaen province. Details as shown in the topic important changes and developments in 2022-2023



### 1.1.2 Major changes and developments

- History

**1975** The company was established for the business of manufacturing boilers and pressure vessels. The Company was a subsidiary of Sino-Thai Engineering and Construction Public Company Limited with a registered capital of 3 million baht.

**1990** The company had a major shareholder of 98% was Sino-Thai Engineering and Construction Public Company Limited and expanded the business of manufacturing of steel structure products for construction and installation with capacity of 20,000 tons per year. The Company name was changed to Sino-Thai Pressure Vessel and Iron Works (STP&I).

**1994** The company had moved its location to a new plant in Chonburi with a total capacity of 30,000 ton / year. In addition, the company has received privilege of location in zone 2 from the Board of Investment.

**1995** The Company has an important business alliance, Tomoe Corporation (Japan) and Mitsui and Company (Thailand) Co., Ltd., holding 7.14% and 3.32% of shares, respectively. Tomoe Corporation (Japan) has disposed of all its shares in 2005. The company also has expanded its capacity to 50,000 tons per year.

**1999** The Company expanded its production capacity by investing in the construction of a new factory in Rayong which had a capacity of 20,000 tons per year. The company has received privilege from the Board of Investment.

**2001** The Company has increased its operations in production, distribution, import and export of raw materials, pipes, plumbing pipes, tanks, tanks containing LPG, oil tank, equipment and tools used in construction of all kinds. As well as materials to repair such equipment. The Company also provide the services of assembly equipment, machinery, and all types of mechanic parts and electrical appliances

**2004** The Company has jointly established Clough Sino-Thai Company Limited by holding 50% of the total to support the expansion of construction work in the exploration in oil and natural gas and to support large industries. Clough Sino-Thai was registered to dissolve the business on November 1, 2007, which is now completely liquidation.

**2008** The Company expanded its production capacity by investing in the construction of a new factory in Sriracha which has a capacity of 25,000 tons per year. And also, the new facility of

assembly yard at Laem Chabang Port to support future businesses. The Company has received benefits from Thailand Board of Investment for both facilities

**2009** The Company was awarded a quality management system certificate. Have passed the assessment by AJA Registrars Company Limited and registered in accordance with the requirements of the standard ISO 9001: 2015 - The Manufacture of Structural Steel and Piping Work (Excluding Design) for sites registered Chonburi, Rayong, Sriracha and Laem Chabang Assembly Yard by AJA Europe Ltd. (now changed to Socotec Certification (UK) Ltd, which both AJA and SOCOTEC is a wholly owned subsidiary of SOCOTEC Group) under the accreditation of UKAS.

**2012** The Company has invested in a new piece of land at Plutaluang Sub-District Sattahip District Chonburi total 387 Million Baht approximate area of 932 Rai for the expansion of the company's business.

**2013** The Company was awarded a quality management system certificate of the standard ISO 3834-2 Pipe Welding for sites registered Sriracha plant by Inspecta Sweden AB PPC.

**2016** The Company expanded the business of renewable energy, municipal waste power plants by STP&I Services Co., Ltd. (a wholly owned subsidiary of the Company) has acquired 42,000,000 common shares (60% of total ordinary shares) of WPGE Petchaburi Company Limited ("WPP") to operate a municipal waste power plant (waste to energy) for 7.9 megawatt (MW)

The company has received certificate of OHSAS 18001 : 2007 Occupational Health and Safety (The current standard is ISO 45001 : 2018) and ISO 14001 : 2015 Environmental Management by AJA Europe Limited under the accreditation of UKAS and IAF for both Sriracha Plant and Laem Chabang Assembly Yard

**2017** The company was granted a factory operation license type of plant No. 106 Factory business of de-commissioning of petroleum wellhead at Laem Chabang Assembly Yard

The company expanded its business in property development and logistics by ST Property and Logistics Co., Ltd. ("STP&L") to operate property development and logistics.

**2018** The Company has jointly invested in establishing for Fill Up Network Co., Ltd. by holding 70% with Central Oil Group Co.,Ltd. (Not related to the Company), holding 30% of the to operate the trading business of fuel oil thru automated gas station.

**2019** The company expanded its business in property development and logistics by ST Property and Logistics Co., Ltd. ("STP&L") on the acquisition of the ordinary shares from existing shareholders of Boutique Prakhanong 1 Limited ("BPKN1") and Boutique Prakhanong 2 Limited ("BPKN2") in portion of 100% of total ordinary shares, with total investment 957 million Baht to

operate property development and for diversifying operational risk. The registration of a new company name was changes to ST Hill Co., Ltd. and ST Hub Co., Ltd, respectively.

The Company has received certificate ISO 14001:2015 Environmental Management and ISO 45001:2018 Occupational Health and Safety from AJA Europe Limited under the accreditation of UKAS and IAF covering all plants and assembly Yard.

**2020** The company on the acquisition 30% of the ordinary shares of Fill Up Network Co., Ltd. from existing shareholders of Central Oil Group Co., Ltd. (CTG). Therefore, the Company own 100% shares in Fill Up Network Co., Ltd.

**2021** The company expands its business with long-term continuous returns to establishing a subsidiary by Cannatory Co., Ltd.on June 22, 2021 in portion of 100% of total ordinary shares to study the investment in the hemp business

ST Property & Logistics Co., Ltd. ("STP&L"), a wholly-owned subsidiary of STP&I Public Company Limited with 100% shareholding, and ST Hill Co., Ltd. and ST Hub Co., Ltd., a wholly-owned subsidiary of STP&L have registered the following 3 projects with KTBST Mixed Freehold and Leasehold Real Estate Investment Trust (KTBSTMR) leasehold rights assets (Previous name: KTBST Mixed Leasehold Real Estate Investment Trust) in the following 3 projects on the day of the REIT establishment which are 1. ST Bang Bo Warehouse and Factory with office project, 2. ST Bang Pa-in Warehouse and Factory with office project, and 3. Summer Hill Shopping Center building and Summer Hub Office Building Project successfully with a real estate leasehold investment trust received money in the amount of 2,325 million baht.

**2022** The Company has jointly invested in establishing for SinoPower Co., Ltd. by holding 60% with PowerVault (Thailand) Co., Ltd. (Not related to the Company), holding 40% of percent of the total shares. To support the growth of the renewable energy-related market such as PPA and EPC of Solar Roof and Solar Farm.

ST Property & Logistics Co., Ltd. ("STP&L") acquired on the acquisition of the ordinary shares from existing shareholders of Growth Warehouse Co., Ltd. in portion of 90% of total ordinary shares in oeder to support the expansion of warehousing and logistics business by investing in the Built to Suit and Ready Built in Khon Kaen Province

**2023** In January the Company invests in the 600-megawatt Monsoon Wind Power Project of Monsoon Wind Power Company Limited ("MWPCl"), located in the Lao People's Democratic Republic, which renders businesses in the generation and sale of electricity under the Power Purchase Agreement to Vietnam Electricity, Vietnam. ST Clean Planet (Asia) Limited (subsidiary of STP&I) purchase ordinary shares in Impact Monsoon Holdings Limited ("IMH") After acquiring the

IMH's shares, the Company will be the ultimate shareholder in the proportion of 15.87 percent of the MWPCCL's paid-up capital.

In February the Company has opened two additional subsidiaries, namely 1. ST Clean Planet Company Limited and 2. ST Evolution Company Limited, for investment in other businesses (Holding Company), expands its investment scope, and diversifies the company's operational risks.

In December the company has invested 50% of its solar power generation business in Impact Solar Group Limited ("ISG"). After acquiring the IMH's shares, the Company will be the ultimate shareholder in the proportion of 50 percent of the Impact Solar Group (Thailand) Co., Ltd. ("ISGT") paid-up capital and the ultimate shareholder in the proportion of 25.52 percent of the Impact Solar Co., Ltd. ("ISL") paid-up capital

## 1.2 Nature of business

### 1.2.1 Revenue Structure

The revenue structure of STP&I and its subsidiaries in 2021 to 2023 are provided in the table below:

(Unit: Million Baht)

Revenue	By	2021		2022		2023	
		Amount	%	Amount	%	Amount	%
1. Structural Steel and Piping Fabrication	STP&I	726.35	26.98	1,060.34	27.80	309.52	7.75
2. Process Module	STP&I	543.32	20.18	2,258.44	59.22	2,835.40	70.98
3. Revenue from dismantling services for oil drilling rigs	STP&I	7.85	0.29	14.18	0.37	262.87	6.58
4. Revenue from sales and services of construction machinery	STIT	430.69	16.00	238.09	6.24	329.09	8.24
5. Other Sales and Services income <sup>1)</sup>	ST P&I / STP&L / ST HILL / ST HUB / FILL UP	331.78	12.32	76.51	2.01	25.98	0.65
6. Revenue from rental of property	STP&L / ST HILL / ST HUB / GW	218.71	8.12	108.38	2.84	125.14	3.13
7. Other Income <sup>2)</sup>	All companies	433.28	16.11	57.58	1.52	106.58	2.67
<b>Total</b>		<b>2,691.98</b>	<b>100.00</b>	<b>3,813.52</b>	<b>100.00</b>	<b>3,994.58</b>	<b>100.00</b>

- Remarks: 1) Other Sales and Services income derived from Revenues from fabrication work sales of consumables and equipment , selling oil from automated gas station, preservation fee and relocation cost during the project suspension period and property management fee.
- 2) Others incomes consist of gain on sales of investments, gain on change in fair value of investments, dividend income, gain on sale of fixed assets, scrap sales, gain on exchange rate and gain on sales of investment properties.

The revenue structure of STP&I and its subsidiaries in 2021 to 2023

(Unit: Million Baht)

Revenue	2021		2022		2023	
	Amount	%	Amount	%	Amount	%
1.Revenue from export	1,061.00	39.41	2,510.00	65.82	2,898.68	72.57
2. Revenue from domestic	1,630.98	60.59	1,303.52	34.18	1,095.90	27.43
Total	2,691.98	100.00	3,813.52	100.00	3,994.58	100.00

## 1.2.2 Information on products and services

### (1) Characteristics of products or services and development of business innovation

Core Business of STP&I can be categorized into 4 main areas:

1. Engineering Service: The Company provides engineering services for detail design of steel-to-steel connection, shop drawing for steel structure, spool drawing, and erection drawings by various specialsoftwares. All the engineering works are performed by the in-house professional and experienced engineers.
2. Fabrication: The Company provides fabrication services and has the capability to fabricate steel structure and pipe spool in workshop which equipped with state of the art equipment and CNC machines to ensure the high quality & efficiency of fabrication processes, including the cost effective.
3. Construction: STP&I's construction works include Steel Structure, Piping and mechanical equipment installation and erection for various manufacturing plants. The Company performs constructionworks at the client's project site and also module construction at the Company's facilities prior transportation to the client's project site.
4. Dismantling: The Company provides service of dismantling all kinds of heavy structures and equipment in the oil & gas industry particularly offshore structures such as offshore



platform, offshore pipelines, offshore petroleum storage facilities, including equipment used for exploring, manufacturing, maintaining, transporting, selling or distributing petroleum. The Company's dismantling yard is located within the area of Laem Chabang Port.

Company's Products can be categorized into 3 groups.

#### **1. Steel Structure**

Company provides the fabrication and erection of Steel Structure made from steel plates and steel sections which procured from both domestic mills and import from overseas. Main products are the heavy fabricated structure such as.

1.1 Steel structures for the medium-scale and large-scale industrial plants such as gas separation plant, power plant, oil refinery and petrochemical plant, etc including the steel structure which are installed as a part of Module.

1.2 Steel Structure for building such as high-rise building, airport terminal, gymnasium and roof structure.

1.3 Steel Structure for infrastructure such as bridge, elevated road, railway, monorail etc.

2. **Piping:** STP&I has expertise in piping fabrication which are essential parts in the production process of industrial plants such as power plants, oil refineries, petrochemical plants, offshore process plants, etc.. The pipe spool fabrication is carried out at the Company's facilities, then the pipe spool will be transported to the project site for installation or transported to STP&I's Laem Chabang Assembly yard to be installed in the Module. Company supply pipe spool for various projects both in Thailand and overseas.

3. **Module:** STP&I expands its business to Process Module assembly. The Company's assembly yard location is nearby the sea port which is convenient for the transportation by sea of the large module to the project site in both domestic and overseas. Module is a large-unit structure comprises steel structure, piping system, equipment such as boiler, pressure vessels, machinery, includes electrical and controlling system for various industries. Module mostly used in both onshore and offshore construction such as oil and gas platform or large projects that have limitation on working area or high labor cost or time constraint.

The Company's products and services are different in each projects based on the project requirements & specifications designed by Customers, so the Company focuses on developing the production process start from the follows.

- Procurement of raw materials, and tools & machines – Company appoints a dedicated team to study and procure those material and tools & machines that is sufficient and good quality in order to provide the good quality products, ontime delivery and reasonable costs.
- Reducing steps of work process and loss time by applying the Lessons Learnt from the past projects, and find out the improved process for future projects and also communicate with those involved.
- Focusing on human development especially the skilled workers in order to have the ability to work in a wider variety jobs and could support operation team who may need short-term labours which reduce the recruiting of new workers that will cause higher costs.

## **(2) Marketing and Competition**

- **Competition**

### **Industrial Competition**

- 1) Local Competitor: Competitors for the projects that Company is focusing especially the Module Fabrications are quite limited because of the large size of projects required the yard with high capacity, big area for assembly work and large amount of working capital for the raw material which may need to import. There are four companies in Thailand who have module assembly facility. Two of four companies focus on the offshore platform fabrication whereas STP&I focus on onshore module fabrication,
- 2) Overseas Competitor: For the overseas market, the Company's competitors are the Fabricators who have fabrication shop and yard facilities in the country where the project is located and also the Fabricators in Asia such as Indonesia, Vietnam, India and China. Most of the competition focuses mainly on the production capacity, quality, price and delivery time.

### **STP&I's Company Status and its Potential**

With the high capacity of 80,000 – 100,000 tones per year of Steel Fabrication which STP&I is one of the largest steel fabricators in Thailand. Company has an advantage as it is able to undertake medium-scale to large-scale projects in both domestic and overseas markets. STP&I has obtained Quality Management Certificate of ISO 9001 : 2015, and JSA Grade “H” increasing confidence in the Company's quality control and customer's satisfaction. The Company has also been certified ISO 14001:2015 and ISO 45001:2018 in Occupational Health and Safety Management and the Environmental Management system standards. The Company's past major

projects have been successful, completed on time and in accordance with customer's requirements. The professional services with international standard is therefore considered a strength that makes the Company recognized from both domestic and overseas customers.

Additionally, STP&I is the leader in exporting modules and fabricated steel structure & piping to customers worldwide. The Company received various support and privilege from government such as the Board of Investment (BOI)'s privilege which allows STP&I the benefits of corporate exemption STP&I also gets exemptions on VAT and Import Duty of Imported raw materials. These privileges have contributed to the competitive advantages for STP&I to effectively compete with other steel fabricators within the region.

#### **Number and Name of Competitors**

The competition in fabrication business at present is moderate due to the investment in energy industry, petrochemical industry and offshore work are mostly large size and high value. The quantity of steel structure has a large amount and need many fabricators to execute for project. The competition in terms of price, quality, safety and on-time delivery therefore the subcontractors who have potential to meet the project requirements and qualified is limited and may not be sufficient to meet the demand in some periods when the new projects being executed at the same time.

In the steel fabrication industry which used for construction, Company has domestic competitors that engage in the same business such as Thai Heerick, MCS Steel, Vissawakij Pattana and Vattana Paisan Engineering, etc.

For module fabrication, there are companies in Thailand operating similar businesses including CUEL Ltd, Tha-Nippon Steel Ltd, BJC Heavy Industry Public Company Ltd, and Bestech and Engineering Public Company Ltd. However, the Company's major competitors are overseas fabricators in Asia such as China, Korea, Malaysia, Indonesia, Phillipins and the countries in middle-east.

For piping pre-fabrication, most of Thai fabricators focus on the domestic project while Company's focus is mainly on overseas projects which are larger project or the module projects which piping are major components of modules.

#### **Industrial Outlook and Competition in the Future**

During Year 2021-2022, oil & gas prices in the world market fluctuated due to many factors such as the impact of the Ukraine-Russia war, including the economic recession in many countries especially USA, Europe and China, the depreciation of foreign currencies and the impact on the

cost of ocean freight.. Those factors have affected the Company's target projects over the past 2-3 years.

However, due to the slowdown of the investment of new projects during 2021-2022 from the above mentioned factors, during year 2023 many countries launched the economic stimulated policy which led to the economic recovery and there was an increased the demand for energy in Europe and America. The decision to invest in new large projects in Oil & Gas and Petrochemical Plant have been considered including the projects that designed to accommodate environmental changes and the Net Zero Carbon policy in many countries. Therefore there are many new projects that required steel structure, piping as well as module during year 2023. During year 2023, there were investments of many projects, the Company has opportunity to participate in biddings for the LNG and Petrochemical Plant project in USA, Canada, Belgium and Middle-East which Company has already submitted bids for those projects, both large-scale and medium-scale projects. The results will be known in 2024 onwards.

Company has been participated in bidding the LNG expansion project in Australia which is high potential of being awarded the contract and one Monorial project in overseas which are similar types of work which Company has experiences. Thus gaining the trust of customers and having the opportunity to continue receiving this type of work. To support the policy of Net Zero Carbon, Company has also participated in bidding for Hydrogen plant, semi-conductor plant, etc for the Piping fabrication which is a part of the production line and Company has high chance to win the contract.

The Company will continue to focus on the De-commissioning of Offshore Platform especially the concession platform in the Gulf of Thailand, which must begin decommissioning according to the concessionaire's plan and the Department of Mineral Fuels' plans from year 2023 onwards. The Company is the first licensed factory operator in Thailand who has facilities to support this type of work and there are few competitors compared to the number of platforms in the decommissioning plan. In the beginning and middle of 2022, Company has been awarded the long-terms contracts for dismantling of topside, and jackets and has already commenced since - 2023 and continuing in 2024. The Company has also participated in bidding for other platforms dismantling to other customers which the Company has opportunity to receive the order for this type of work continuously.

Besides the Company's main business on Fabrication work which still in good trend since 2024, the Company is also looking for other business opportunities, beneficial to society and able to generate recurring income for Company in the long term.

1. Investment in SinoPower Co., Ltd. in the proportion of 60% with PowerVault (Thailand) Co., Ltd. holds 40% of shares to operate renewable energy business, including Solar Roof PPA and EPC and Solar Farm”.
2. Investment in Growth Warehouse Co., Ltd. (“GW”) in proportion of 90% to support the expansion of warehousing and logistics by increasing the rental area of warehouse in Khon Khaen.
3. Investment in renewable energy business for long term, such as MONSOON wind power plant project of 600 megawatts, and investing in the business of generating electricity from solar energy, PPA and EPC formats in Thailand.

### Sales and Distribution Channels

The Marketing and Estimation Department of Company is responsible to serve and contact customer directly for the enquiry of the project that under bidding and also request for the bidding documents such as drawing and project specification for estimation and submission of proposal to the customer.

Following above, the contact channels from those customers can be summarized as follows;

- 1) From the existing customers base who trust the reputation and quality of the Company. The contacts that received from these group customers shows that the customer is satisfied with the performance of the Company which helps the Company to get orders continuously. They also introduce Company to other new customers as well. The existing companies include the owner of refinery, gas separation plant, petrochemical plant and energy business.
- 2) From the new customers who were introduced by the existing customers or those who participated or involved in the Company’s past projects, consulting company or entering through the Company’s web site.
- 3) From subsidiary, associated and related Company, partner or joint venture that conducts continuous business with the Company, therefore contributing to supporting in finding customers for the Company
- 4) Via Company’s Agencies in overseas who has a network of relations with the main contractor or the owners.
- 5) Via Representatives of government agencies in both domestic and overseas introduce to the investors of those countries.



### **Proportion of Sales (Domestic - Export)**

The Company received contracts for both domestic and export projects. In 2022, the proportion of export project was 74% and domestic project was 26%. In year 2023, there was a the main propotion of 75% export project and 25% domestic project.

For the Year 2024, as for the existing overseas projects that continuing from 2023 and the new project that Company received award during end of year 2023 and will be comenced in early of 2024, including the projects that Company expects to receive the job during the year are export projects. Therefore, it is expected that in year 2024, the proportion of projects executed by the Company will be mainly export projects

### **(3) Supply of products or services**

#### **Production Capacity**

Since year 2009 onward the Company has production base at 4 locations included Chonburi Fabrication Shop, Sriracha Fabrication Shop, Rayong Fabrication Shop and Laemchabang Assembly Yard. The maximum production capacity of steel structural fabrication, pipe fabrication and prefabricated factory (Module) is approximately 100,000 tons / year (depending on the size of work pieces and working area). The Company utilized 45% of the company's total production capacity in year 2021.

#### **Production Process**

Once the customer has awarded the project to the company by received the signed contract. The company will starting work from engineering work by received design drawing from the customer to generate detailed drawings from the engineering computer program. The production department will carry out production planning, including procurement of main raw materials, such as steel, welding rods, paint and other consumables, etc., and coordinating with the customer to receive free issued materials provided by the customer. The production department will prepare cost budget for cost control and execute labor sourcing in order to the manage production smoothly according to the plan and always make good coordination with customers.

The production process start from steel raw materials cutting, drilling, assembling, welding and the final step in coating the workpieces respectively, including the assembly of various workpieces and necessary equipment. Each step of work is required the experience of skilled worker to complete the work on time and least amount of errors. This production process is under quality control by production section and quality control section that must be coordinated all the time and the quality of the products must be managed according to various standards which address details in the topic of Market and Competition.

## **Production Policy**

The company has a policy to produce products that meet the quality standards specified by the customer and must deliver them in accordance with the schedule promised to the customer as well as taking into account the safety, health and working environment of employees, which is important, along with efficient production. The engineer team who manage the project must also control production costs within the estimated budget.

## **Material Sourcing**

The Company's business is steel structure fabrication, therefore 85% of the total raw material is steel, which is steel plate, steel section, and pipe & fitting. Other important components of 15% of all raw materials are electric cable and electrical equipment, insulation work, grilles, fasteners such as screws and nuts, etc.

In considering procurement of raw materials, the Company and customer will mutually identify the scope of materials supply during the bidding process and before the contract signing into 2 cases as follows;

1. In the case where the customer is supply the raw material such as steel plate, section steel, and steel pipe and equipment, etc.,. The company will carry out the process of material receive by checking quantities and qualities, using in production and reconcile balance to customers including comply with process of the Board of Investment (BOI).
2. In case the company is supply the raw materials, the company will conduct preliminary price checks from the suppliers to determine the selling price of each project. When the contract is signed and the operation starts the company will generate a plan for raw materials supply by preparing a project budget which contains budget items for purchasing raw materials. To select vendors and issue the purchase orders (PO) to each supplier, there are comparison of price and term, quality, delivery as per project specification with at least 3 suppliers from manufacturers or distributors both local and outside the country. Since the beginning of the project, the procurement department will periodically assess the situation of the raw materials price and the price trend in order to monitor with the budget of the project. The Company will negotiate with sellers to fix the price for the whole project or at least 6 months. In some cases, the company may consider 1-2 supplier/vendors for each material in order to reduce the price risk that might be fluctuated and continuously supply (no shortage).

## **Material Suppliers**

The main raw material use in the company have detailed as followings.

1. Hot Rolled Steel Plate is steel with chemical composition according to industrial standards and rolled into a plate or sheet during heating process. Use of steel structure fabrication are for buildings,

bridges, ships, oil storage tanks, pressure vessels and other structural work. The material are divided into 4 types: steel coil, steel plate, steel strip, and steel sheet., there are approximately seven (7) main local producers with a combined annual production capacity of approximately 10 million tons and the abroad producers including Japan, Korea, China, Indonesia, Malaysia and the European countries.

2. Steel section is steel that is produced with different shapes for use in construction work. It can be divided according to the production process into 2 types: Hot Rolled Section Steel, namely I, H, T, U, L, shape etc. and Cold Rolled Section Steel mainly produce as C shape. There are approximately eight (8) domestic producers of this type of steel with a combined annual production capacity of approximately 2.0 million tons. Some items have been import from oversea manufacturers such as Japan, Korea, China Turkey United States and the Middle East and Europe.
3. The Steel Pipe & Fitting such as round pipe and square pipe, as well as various fitting such as elbow, three-way joint, reducer, flange, etc. are manufactured from abroad because the domestic suppliers are not able supply such type, grade and quality in accordance with the requirements of project specification. It is imported from oversea manufacturers or sellers such as Japan, Korea, China and European countries as well as import through a local agent.

The company have been purchased the main raw materials from manufacturers or distributors both at domestically supply and import from oversea. The major manufacturers or distributors of the Company in the past year are as follows;

Name	Country	Raw material type at distribution	Period of the contact with the company (Year)
1. Mitsui & Co., Ltd. and Mitsui And Company (Thailand) Co.,Ltd.	Thai / Japan	Hot Rolled Steel Plate Steel Section and Steel Pipe	Over 15 Years
2. LPN Plate Mill Co., Ltd.	Thai	Hot Rolled Steel Plate	Over 15 Years
3. Sahaviriya Plate Mill Plc.	Thai	Hot Rolled Steel Plate	Over 15 Years
4. Siam Yamato Steel	Thai	Steel Section	Over 15 Years
5. Best Steel Co., Ltd.	Thai	Hot Rolled Steel Plate Steel Section	4 Year
6. Eternus Global Pte Ltd.	Singapore	Hot Rolled Steel Plate Steel Section	5 Years
7. Thai Metal Import Co., Ltd.	Thai	Hot Rolled Steel Plate Steel Section and Steel Pipe	Over 15 Years
8. Karl International	Malaysia	Hot Rolled Steel Plate	5 Years
9. Sirikul Steel Co., Ltd.	Thai	Hot Rolled Steel Plate Steel Section and Steel Pipe	Over 15 Years

Name	Country	Raw material type at distribution	Period of the contact with the company (Year)
10. 10. Other dealers are Udom Metal Trade (1975) Co., Ltd., Taweechoke Panich Co., Ltd., Chua Phaibul Steel Co., Ltd. T.M.T Steel Public Co., Ltd. etc.	Thai	Hot Rolled Steel Plate Steel Section and Steel Pipe	Over 10 Years

#### Proportion of raw materials purchased from local and import

The purchase order (PO) have been order both directly from the manufacturer and through distributors from domestically supply and overseas. The ratio of raw material supply from domestic supply and oversea of each project or each year are uncertain depending on material grade, specification of materials which specified by the customer, pricing, delivery time and availability of raw materials in each time. In the past, the raw material used to supply from domestic supplier and from other countries such as Japan, Korea, Middle East countries and European countries such as England and Germany etc. In year 2023 the raw material had purchased from domestic manufacturer and distributor is approximately 43% and import from oversea supplier is approximately 57% which majority was imported from the Middle East, United States of America, Korea, China and Japan.

The proportion of the raw material (Steel Only) of the company in the last 3 years are as follows.

Raw material	Year 2021			Year 2022			Year 2023		
	Amount (Ton)	Mil. Baht	%	Amount (Ton)	Mil. Baht	%	Amount (Ton)	Mil. Baht	%
Local	10,328	281	54	5,873	130	34	966	32	43
foreign country	8,725	276	46	3,486	258	66	1,271	57	57
Total	19,053	557	100	9,559	388	100	2,238	89	100

In the future, if the fabrication projects of the Company are for export, the Company potentially required the order of main materials which are steel plate steel section, steel pipe and fittings from oversea rather than from local. Most of requirement from customer are high grade standard of materials which must be imported from oversea suppliers. However, in currently the domestic manufacturers have developed production processes and improved some type of product standards, quality and grade to be equivalent to oversea manufacturer. The production process has also been improved to reduce production costs, allowing domestic manufacturers to increase their competitiveness as well the domestic production can be produced and delivered using a shorter transportation time and the partial deliver the material in small quantities is more flexible and efficiency to support for fabrication work and schedule. The company has considered and decided to purchase whether purchasing from local manufacturers or importing from

oversea manufacturers by considering from the raw materials that must comply with customer specifications, the prices shall be the best, term and conditions and the delivery must be supporting to fabrication schedule. There are many oversea manufacturers and distributors who are able to supply imported raw materials to us which meet the material grade and desired quality which are from Japan, Korea, the Middle East, China and Europe, etc.

Likewise, if the domestically project which mostly referred to the Thai industry standard, requiring the use of Thai standard steel. The procurement proportion of raw materials is mainly supply from domestic manufacturer or from local distributor.

In this regard, the trend of reducing global warming and using environmentally friendly raw materials is a trend around the world which make various business are participate on this campaign in order to reducing carbon dioxide emissions and reducing global warming. The company's purchasing department has aware on this campaign as well by focusing on sourcing steel manufacturers that have policies to reduce carbon dioxide emissions and reduce global warming. Manufacturers that meet standards regarding the use of green energy (Green Energy) or are certified to LEED Standard will be another factor to consider in deciding to purchase raw materials as a priority.

#### (4) Operating Assets

##### 1. Key operating assets of the Company and its subsidiaries

As at 31 December 2023, the Company and its subsidiaries used key operating assets as follows;

##### Property, plant and equipment

Unit: Million baht

Location	Description	Ownership	Obligation	Net book value
Chonburi Plant 69 Moo 3, Klong-Tamru, Muang, Chonburi	3 plots of Land & Land improvements Title Deed No. 30800, 88862 and 88880 Approximate total area 56 Rais	Own	No obligation	115.8
	6 Plant buildings Total usable area 16,688 Sq.m.	Own	No obligation	9.8
	1 Office building Total usable area 2,610 Sq.m.	Own	No obligation	2.9
	2 plots of Land Title Deed No. 106936 and 7417	Own	No obligation	11.5



Location	Description	Ownership	Obligation	Net book value
	Total area 9 Rais			
<u>Rayong Plant*</u> 45/10 Moo 4, Banlang-Nongbond Rd., Nikhom Phattana, Amphur Nikhom Phattana, Rayong	7 plots of Land & Land improvement Title Deed No. 1001, 1018 and 32938-32942 Approximate total area 48 Rais	Own	Mortgage with financial institute	41.5
	21 Plant buildings Total usable area 23,562 Sq.m.	Own	Mortgage with financial institute	17.5
	2 Office buildings Total usable area 1,176 Sq.m.	Own	Mortgage with financial institute	1.6
<u>Sriracha Plant*</u> 389/34 Moo 4, Nongkham, Sriracha, Chonburi	1 plot of Land & Land improvement Title Deed No. 7510 Approximate area 51 Rais	Own	Mortgage with financial institute	28.6
	3 Plant buildings Total usable area 10,500 Sq.m., including office building usable area 600 Sq.m.	Own	Mortgage with financial institute	107.2
<u>Laem Chabang Yard</u> 48/1 Moo 3, Sukhumvit Rd., Tungsukla, Sriracha, Chonburi**	Rental area improvement	Own	No obligation	32.3
<u>Lam Luk Ka Office</u> 25 Moo 13, Bueng Kham Phroi, Lam Luk Ka, Pathum Thani	2 plots of Land & improvement Title Deed No. 9438 and 146558 Approximate total area 20 Rais	Own	Mortgage with financial institute *	60.0
	4 Plant buildings Total usable area 3,864 Sq.m. Including office building usable area 1,254 Sq.m.	Own	Mortgage with financial institute *	120.5
<u>Plutaluang</u> Sattahip, Chonburi***	Land held for devepment Approximate total area 932 Rais	Own	Mortgage with financial institute *	312.9
			No obligation	6.8
<u>ST Lam Luk Ka</u>	3 plots of Land & improvement	Own	Mortgage with	413.1

Location	Description	Ownership	Obligation	Net book value
21/7 Moo 6, Sema Fahkram Rd., Kookot, Lam Luk Ka, Pathum Thani ****	Title Deed No. 40150-40152 Approximate total area 51 Rais		financial institute *	
	Warehouse and factory for rent 12 Buildings Total usable area 31,081 Sq.m.	Own	Mortgage with financial institute *	143.9
<u>ST Bang Pa-in</u> 505 Moo 2, Klongjig, Bang Pa-in, Ayutthaya****	7 plots of Land & improvement Title Deed No. 33617-33619 and 33621-33624 Approximate total area 41 Rais	Own	Mortgage with trust *	212.0
	Warehouse and office for rent 4 Buildings Total usable area 45,890 Sq.m.	Own	Mortgage with trust *	338.8
<u>ST Bang Bo</u> Bang Phriang, Bang Bo, Samut Prakarn****	10 plots of Land & improvement Title Deed No. 47589-47598 Approximate total area 49 Rais	Own	Mortgage with trust *	263.4
	Warehouse and factory for rent 9 Buildings Total usable area 38,000 Sq.m.	Own	Mortgage with trust *	224.0
<u>On Bangna-Trad Rd., Km.19, Bang Chalong, Bang Phli, Samut Prakarn</u>	Land held for devepment Title Deed No. 114225 Area 9-2-18 Rais	Own	No obligation	169.4
<u>On Bangna-Trad Rd., Km.22, Bang Sao Thong, Bang Sao Thong, Samut Prakarn</u>	Leasehold rights of land, held for development Approximate area 27 Rais (Rights of use asset)	Leasehold rights	No obligation	286.9
<u>Growth Warehouse</u>	Rental area improvement	Own	No obligation	26.4
	Warehouse and factory for rent 3 Buildings Total usable area 32,140 Sq.m.	Own	No obligation	274.2
	Rights of use asset	Own	No obligation	37.8
	Others			77.6
<b>Total</b>				<b>3,336.4</b>

**Note** \* The Company and its subsidiaries have pledged land with structures thereon with total net book value as at 31 December 2023 amounting to Baht 1,246 million as collateral against credit facilities received from commercial banks and have pledged land with structures thereon amounting to Baht 1,038 million as collateral against to the performance of the contract with KTBST Mixed Freehold and Leasehold Real Estate Investment Trust.

\*\* Office buildings at 48/1 Moo 3, Tung Sukla are located on land under lease agreement from Port Authority of Thailand which expired in June 2020. The Company is negotiating with the landlord to extend the term of lease agreements.

\*\*\* The Company purchased approximately 1,128 rais of land to expand the business and consolidate the production center, in order to be managed efficiently and support the large future projects. During 2016, the Department of Highways expropriated land to expand the motorway total 196 Rais. The Company is studying on how to use the land in the most beneficial way.

\*\*\*\* A subsidiary purchased lands and property of long leasehold 2 plots in December 2017 and 1 more plot in September 2018. In addition, in 2020 the subsidiary purchased and leased 2 plots of vacant land for the construction of warehouses according to the customer's requirement and for long-term rental in order to increase recurring income to the Group, and such assets are classified as investment properties.

### **Machinery, Tools, Construction equipment and Assets under construction**

Unit: Million Baht

Type of assets	Ownership	Obligation	Net book value
Machinery, tools and equipment	Own	No obligation	128.9
Office equipment, furniture and fixtures	Own	No obligation	13.2
Motor vehicles	Own	No obligation	10.9
Right-of-use assets	Own	No obligation	95.1
Assets under installation and under construction	Own	No obligation	1,312.9
<b>Total</b>			<b>1,561.0</b>

## **2. Details of lease agreements**

As at 31 December 2023, the Company have land lease agreements as follows;

Land lease agreement with the Port Authority of Thailand, to be used as module assembly yard. The land size is 206 Rais and is located in zone 3.1 of Laem Chabang Port. The lease agreements expired in June 2020, the Company will continue to file for lease extension which currently still in the process.

A subsidiary has a long-term land lease at Tha Lang Sub-district, Tha Yang District, Phetchaburi Province for the construction of a waste-to-energy power plant. The land area is approximately 167 rais and will expire in September 2044.

The subsidiaries entered into long-term land lease at Phra Khanong Sub-district, Klong Toey District, Bangkok for operate Office building for rent and Community mall. The land area is approximately 2.5 Rais

and wil expire in 2049 and able to renew the lease for further period of 5 years upon expiration. In 2021, the subsidiaries entered into an agreement to sublease land to KTBSTMR for a period of 30 years.

A subsidiary entered into a long-term land lease agreement at Bang Sao Thong Sub-district, Bang Sao Thong District, Samut Prakarn which is an empty land with high potential for project development as well. It is able to utilize for both industrial and warehouse. The land area is approximately 27 Rais and the lease will expire in November 2052.

A subsidiary entered into 3 long-term land lease at Khon Kaen to build warehouses for rent. The agreements are consist of 2 agreements at Mueang Khon Kaen District and 1 agreement at Ban Phai District with total area approximately 105 Rai, starting in 2022 for the period of 25 years and 30 years.

During 2020, the Group has adopted TFRS 16 Lease which is effective for fiscal years beginning on or after 1 January 2020. This financial reporting standard requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value. Investment properties, Property, plant and equipment as of 31 December 2023 were included rights-of-use assets amounting to Baht 296.0 milllion, which were rights-of-use for investment properties Baht 200.9 million and rights-of-use for Property, plant and equipment Baht 95.1 million.

- **Backlog**

As at 31 December 2023, there are 2 ongoing projects which the contract value more than 10% of total revenue for year 2023; detail as follows;

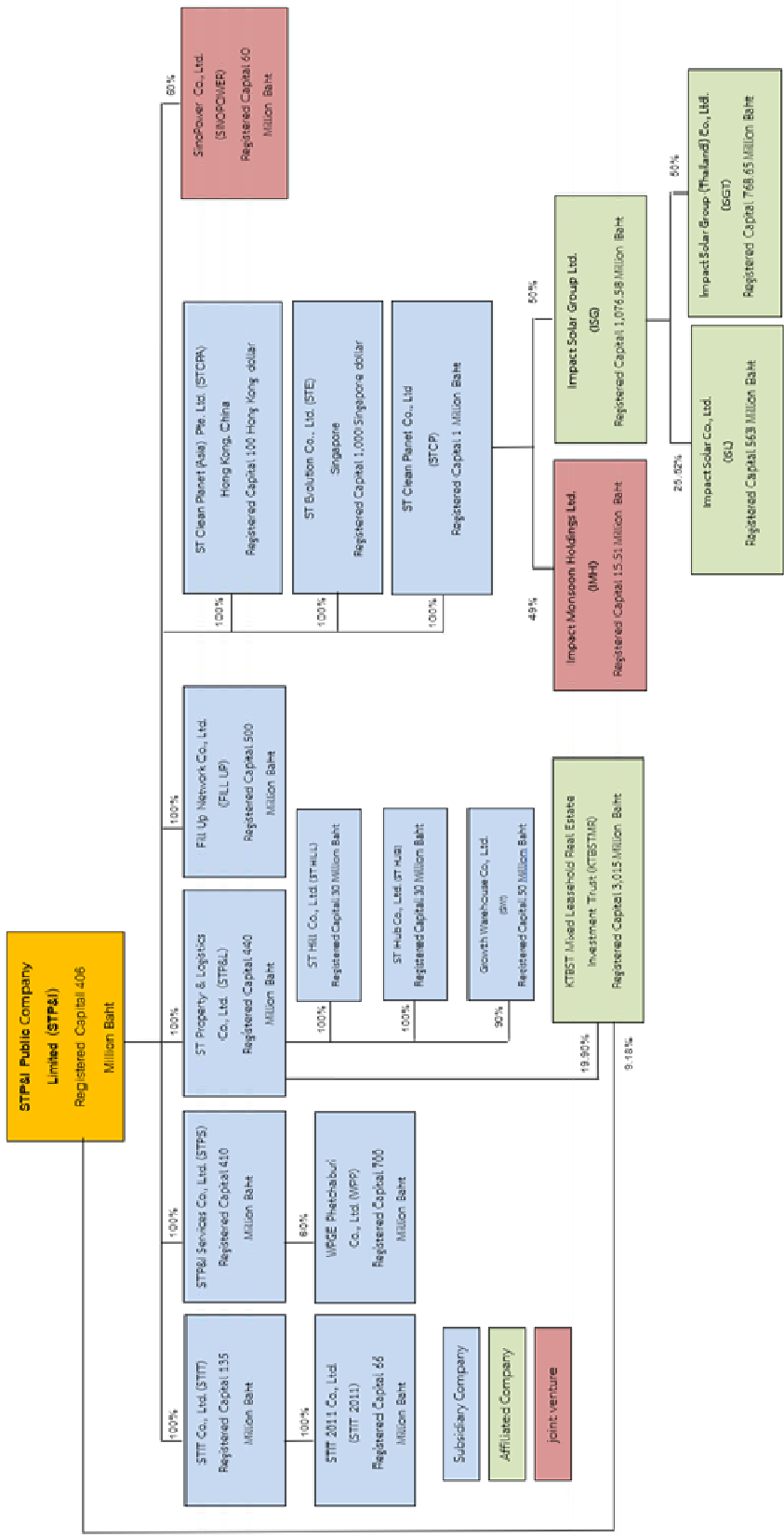
(Unit: Million baht)

Project Name / Project Type / Project Location	Contract value	Estimate delivery date	Remaining contract value
1. CRISP Project / Module Fabrication & Assembly, Singapore	5,130	Mar. 24	556
2. Pluto T1 Scarborough Modifications Project / Module Fabrication / Australia	1,667	Nov. 25	1,667

Note: Remaining contract value is calculated from the unrecognized contract value.

1.3 Shareholding Structure of the Company Group

1.3.1 Investment Structure of the Company Subsidiaries and Joint Venture



Remark: Canatory Co., Ltd. ("CAN") (a wholly owned subsidiary of the Company) Dissolution registration as of July 18, 2023



The Company has 13 subsidiaries as follows:

1. STIT Co., Ltd. (“STIT”) Operate the business of sales and rental of machinery and equipment for construction and manufacturing industries Engineering services (100% of Holding)
2. STP&I Services Co., Ltd. (“STPS”) Operate the business in the renewable energy business in various forms, to produce and distribute electricity. Contracting for the construction of a power plant. Be a consultant for all types of renewable energy businesses and conduct businesses that support construction and real estate development businesses. (100% of Holding)
3. STIT 2011 Co., Ltd. (“STIT2011”) Operate the business of sales and rental of machinery and equipment for construction industry contractor for steel and concrete works (100% of Holding)
4. WPGE Phetchaburi Co., Ltd. (“WPP”) Operate the business of waste to energy (Electricity, Oil Fuel, and Fertilizer, sell Electricity and consultant on operation a municipal solid waste power plant and selling of electricity, including other related business (60% of Holding)
5. ST Property & Logistics Co., Ltd. (“STP&L”) Operate the business of Logistics services and property development (100% of Holding)
6. Fill Up Network Co., Ltd. (“FILL UP”) Operate the business of selling Oil from Automated Petrol Station (100% of Holding)
7. ST Hill Co., Ltd. (“ST HILL”) Operate the business of shopping center for rent under Project Summer Hill (100% of Holding by STPL)
8. ST Hub Co., Ltd. (“ST HUB”) Operate the business of office for rent under Project Summer Hub (100% of Holding by STPL)
9. Cannatory Co., Ltd. (“CANNATORY”) Operate the business of hemp products (100% of Holding) Currently, this business is out of business and in the process of liquidation.
10. Growth Warehouse Co., Ltd. (“GW”) operate the business of Logistics services and property development (90% of Holding)
11. ST Clean Planet Co., Ltd. (“STCP”) Holding Company (100% of Holding)
12. ST Evolution Pte. Ltd. (“STE”) Holding Company (100% of Holding)
13. ST Clean Planet (Asia) (“STCPA”) Limited Holding Company (100% of Holding)

The Company has 2 associated company as follow:

1. KTBST Mixed Leasehold Real Estate Investment Trust (“KTBSTMR” or “REIT”). It is a trust fund under the Trust for Transactions in the Capital Market Act 2007, in which the Stock Exchange of Thailand has received the trust units of the REIT as listed securities, and started trading on the stock exchange effective from November 15, 2021 onwards. As of the REIT establishment date, the Group is a major unitholder of the REIT totaling 28.05% and STP&L acts as the property manager of ST Bang Bo, ST Banp Pa-In, Summer Hill and Summer Hub projects. (As of the REIT establishment date, held by the Company 8.15% and held by STP&L 19.90%)
2. Impact Solar Group Limited (“ISG”) Holding Company (50% Holding by STCPA)

The Company has 2 joint venture as follow:

1. SinoPower Co., Ltd. (“SP”) operate Solar Roof and Solar Farm PPA and EPC (60% of Holding)
2. Impact Monsoon Holdings Limited (“IMH”) Holding Company (49% Holding by STCPA)

#### **Investment Policy in Subsidiaries, Associates and Joint ventures**

The Company establishes investment policies in subsidiaries, associates and Joint venture. The company will invest in businesses that are related to the business operations of the company or support the Company's business or able to generate continuous income for the company. The company will take into account the expected rate of return earned by investors.

For policies for the management of the subsidiaries, associated and Joint venture companies. If a company invests 10 percent of its registered capital and paid up. The Company will send representatives to be directors of subsidiaries, associated and Joint venture companies to jointly formulate management policies. However, Executive Director of the Company, Subsidiaries, Associated and Joint venture Companies There will be a clear separation so that each company's management independently of each other. In the beginning there might be a common use of the executive directors. Until you see that it is suitable for business

However, since KTBSTMR is not a juristic person but it is a trust fund under the Trust for Transactions in the Capital Market Act 2007, which is a specific law. There is Kasikorn Asset Management Company Limited as the trustee of the REIT and DAOL REIT Management (Thailand) Co., Ltd. as the REIT manager. Therefore, the Company did not send representative to be a director.

### **STP&I Public Company Limited (The Company)**

The Company operate the business of steel fabrication by cutting welding and assembling of steel section, steel pipe and steel plate. The products of company are Steel Structure, Piping, and Module for large industrial plants such as energy, oil and gas industry, petrochemical sector, refinery and power plant etc. which export to foreign countries as specified by the customer and also domestic which including the infrastructure for mass transit system such as monorail. The main customers are owner of the project and main contractor (EPC Company).

Additionally, the Company still continue to focus on De-commissioning of Offshore Platform relating to oil & gas and petrochemical business

### **STIT Co., Ltd. (“STIT”)**

STIT established in 1999 as a distribution and service agent to import mechanical equipment used in construction for civil work, mechanical work, electrical work and general engineering work industries. The construction equipment products which are related to construction business such as PUTZMEISTER - concrete pumps and mortar machines from Germany, JOHN DEERE - earth moving equipment from USA, LIEBHERR - tower crane from Germany, KATO - mobile crane from Japan, Dyna Jet – water jetting equipment, and ATLAS - special towed air compressor, towed generator and mobile lighting tower, etc. The industrial equipment products are IHI - boiler from Japan,

STIT is a leader in technology for construction work, petrochemical, and industrial. STIT is recognized from world major machine manufacturers and appoint to be a distributor. STIT expertise in training on practical knowledge to customer in Thailand and nearby countries and special expertise on construction service. In addition, STIT also provides equipment rental, after sale service and spare parts.

### **STIT2011 Co., Ltd. (“STIT2011”)**

On 17 September 2010, STIT Co., Ltd. on the acquisition 100% of the ordinary shares of STIT 2011 Co., Ltd. (Formerly named “Marvel (FT) Holding Co., Ltd.”) from existing shareholders. The main purpose in expanding the scope of business to distribute new types of products and services and increasing the source of income

Currently, STIT2011 has no business operation due to the combine business of STIT2011 to STIT business in order to manage the operation efficiently and improve cost control

### **STP&I Services Co., Ltd. (“STPS”)**

On 4 February 2013 The Company on the acquisition 100% of STP&I Services Co., Ltd. (Formerly named “LGR (Thailand) Co., Ltd.”) from existing shareholders. The main objective was to operate a business that

supports construction and property development and increase the flexibility in management. Therefore, the Company added the objective to operate in the renewable energy business in various forms to engage in the production and distribution of electricity power plant construction contractor and consultant on all types of renewable energy business. The current focus on investments in WPP.

#### **WPGE Phetchaburi Co., Ltd. (“WPP”)**

On 5<sup>th</sup> November 2016 STP&I Services Co., Ltd (a wholly owned subsidiary of the Company) on the acquisition of 42,000,000 ordinary shares (60% of total ordinary shares) of WPGE Phetchaburi Company Limited (“WPP”) from existing shareholders to operate a municipal waste power plant (waste to energy) for 7.9 megawatt (MW) power generation in Petchaburi Province, Thailand for the Provincial Electricity Authority convert waste into electrical energy, fuel oil and fertilizer as well as providing business advice related to electricity generation and distribution and municipal waste disposal. Currently, the construction was stopped temporarily during the year 2019 due to a dispute with the contractor to design and construct the power plant. As a result, the electricity production and distribution schedule had to be postponed from the original plan and the power plant had to be renovated. to be able to use it according to its intended purpose At present, the dispute has ended and is recruiting experts to improve the power plant to be able to use it according to its intended purpose.

#### **ST Property & Logistics Co., Ltd. (“STP&L”)**

On 16<sup>th</sup> October 2017 The company expanded its business in property development and logistics under ST Property and Logistics Co., Ltd. (“STP&L”) (a wholly owned subsidiary of the Company) to operate property development and logistics. Currently, there are 5 real estate investment projects, which are Lamlukka District Pathumthani Province, Bang Pa-In District Phranakorn Sri Ayuthaya Province, Bang Bo District Samutprakan Province, These 3 warehouses with office for to store products and carry out logistics activities. In year 2019 has invested in office buildings and community mall at Prakhanong Sub-District Klongtoey District Bangkok. The company has also expanded its investment to land on Bangna-Trad road for expanding to built-to-suit project for customers in the logistics in particular.

In November 2021, KTBST Mixed Leasehold Real Estate Investment Trust (KTBSTMR), which established by ST Property and Logistics Company Limited (STP&L), a subsidiary of STP&I Public Company Limited, which holds 100 percent of shares, and ST Hill Company Limited and ST Hub Company Limited, which are subsidiaries in which STP&L holds 100 percent of shares has registered the rights to lease property in 3 projects: 1. Warehouse and factory with office project, ST Bang Bo, 2. Warehouse and factory with office project, ST Bang Pa-in, and 3. Shopping center building project. Summer Hill and the Summer Hub office building project with the Trust has a value of 2,325 million baht. Currently, STPL is the project manager for KTBSTMR.

The company is also investing in land in the purple zone in the outbound Bangna-Trad, around km. 19 and km. 22, to expand the project "Built-to-suit" for specific customer groups and has expanded its investment in warehouses for rent in both Built-to-suit and Ready-Built Forms in Khon Kaen Province through Growth Warehouse Company Limited ("GW").

#### **Fill Up Network Co., Ltd. ("FILL UP")**

On 9 November 2018, the company has jointly invested in establishing for Fill Up Network Co., Ltd. by holding 70% with Central Oil Group Co., Ltd. (Not related to the Company), holding 30%. Fill Up Network Co., Ltd. operates the trading business of fuel oil thru automated gas station.

On 28 December 2020, the Company acquired 30% of the ordinary shares of Fill Up Network Co., Ltd. from existing shareholders of Central Oil Group Co., Ltd. (CTG). Therefore, the Company owns 100% shares in Fill Up Network Co., Ltd.

The Company now decides to stop more investment in Fill Up as the operation and marketing performance could not meet the target.

#### **ST Hill Co., Ltd. ("ST HILL")**

On 28 June 2019 ST Property & Logistics Co., Ltd. (a wholly owned subsidiary of the Company) acquired 6,000,000 shares of the ordinary shares from existing shareholders of Boutique Prakhong 1 Limited ("BPKN1") which are 100% of total ordinary to operate community mall for rent under the project named "Summer Hill" currently, the company is the project manager for KTBSTMR.

#### **ST Hub Co., Ltd. ("ST HUB")**

On 28 June 2019 ST Property & Logistics Co., Ltd. (a wholly owned subsidiary of the Company) acquired 6,000,000 shares of the ordinary shares from existing shareholders of Boutique Prakhong 2 Limited ("BPKN2") which are 100% of total ordinary to operate office buildings for rent under the project named "Summer Hub" currently, the company is the project manager for KTBSTMR.

#### **Cannatory Co., Ltd. ("CAN")**

On 22 June 2021, Cannatory Co., Ltd. ("CAN") (a wholly owned subsidiary of the Company) was established to conduct a study on investment in hemp business. The company has stopped studying and investing in this business. Because the study found that there is a high risk in marketing and high production costs resulting in the inability to operate the business according to the projected goals.

On June 14, 2023, the company passed a resolution approving the dissolution of CAN and completed the registration of dissolution on July 18, 2023. Currently, it is in the process of liquidation.

#### **KTBST Mixed Freehold and Leasehold Real Estate Investment Trust (“KTBSTMR”)**

On 29 October 2021, the Company and STP&L invested in KTBST Mixed Freehold and Leasehold Real Estate Investment Trust representing 8.15% interest and 19.90% interest, respectively. As a result, the Company’s shareholding in KTBSTMR is totaling 28.05%, and KTBSTMR is treated as an associated company. In November and December 2021, the company invested an additional 1.03 percent, in the first quarter of 2022, it invested an additional 0.19 percent, with no change during 2023. As of December 31, 2023, the group held units. Trust totals 29.27 percent of all sold trust units.

#### **Growth Warehouse Co., Ltd. (“GW”)**

On 22 April 2022, STP&L acquired 90% of the ordinary shares from existing shareholders of Growth Warehouse Co., Ltd. (“GW”) for expansion of property development and warehousing development as Built to Suit for logistics business focusing on Khon Kaen province. STP&L invested in the Built to Suit warehouse building project for rent, and in 2023, investment expanded to the Ready Built warehouse building project for rent.

#### **SinoPower Co., Ltd. (“SP”)**

On 27 May 2022, the Company and PowerVault (Thailand) Co., Ltd. (“PV”) have established SinoPower Co., Ltd. (“SP”) to operate renewable energy business, including Solar Roof and Solar Farm PPA. The Company invested 60% of its ordinary shares and determined that this investment is investment in a joint venture since the Company and PV have joint control in SP. Currently, there are 11.35 MW of power distribution agreements (PPAs).

#### **ST Clean Planet Co., Ltd. (“STCP”)**

On February 27, 2023, ST Clean Planet Company Limited (“STCP”) (a 100% subsidiary of STP&L Public Company Limited) established to invest in other businesses (Holding Company).

#### **ST Evolution Pte. Ltd. (“STE”)**

On February 21, 2023, ST Evolution Pte. Ltd. (“STE”) was established as a registered company in the Republic of Singapore (100% subsidiary of STP&L Public Company Limited) to invest in Other businesses (Holding Company).

#### **ST Clean Planet (Asia) (“STCPA”)**

On January 20, 2023, ST Clean Planet (Asia) Company Limited (“STCPA”) was established as a registered company in the Hong Kong Special Administrative Region of the People's Republic of China (100%)



subsidiary of STP&I Company). Public Company Limited) to invest in other businesses (Holding Company). It has invested in 2 renewable energy businesses, including

- **Impact Monsoon Holdings Limited (“IMH”).**

On January 26, 2023, ST Clean Planet (Asia) Company Limited (“STCPA”) invested in Impact Monsoon Holdings Limited (“IMH”), a legal entity registered under the Hong Kong Special Administrative Region of the People's Republic of China. in the proportion of 49 percent of IMH's total registered and paid-up common shares, totaling USD 44.20 million. It operates as a Holding Company and has investments in subsidiaries that operate businesses related to renewable energy, namely Monsoon Wind Power Company Limited (“MWPCL”) in the Lao People's Democratic Republic (“Lao PDR”) to support power plant projects. MONSOON wind power, 600 megawatts, and sells electricity according to the power purchase agreement (PPA) to Vietnam Electricity (Vietnam Electricity) (“EVN”), Vietnam. The STP&I group of companies will be the ultimate shareholder in the proportion of 15.87 percent of the paid-up registered capital of MWPCL.

- **Impact Solar Group Co., Limited (“ISG”)**

On December 21, 2023, ST Clean Planet (Asia) Company Limited (“STCPA”) invested in Impact Solar Group Limited (“ISG”), a legal entity registered under the Hong Kong Special Administrative Region of the People's Republic of China. In the proportion of 50 percent of the total number of registered and paid-up common shares of ISG, totaling 1,025 million baht, operating as a Holding Company, having investments in subsidiaries that operate businesses related to producing electricity from renewable energy in Thailand. Two companies are Impact Solar Group (Thailand) Co., Ltd. (“ISGT”) and Impact Solar Co., Ltd. (“ISL”) both companies are companies that have income from power purchase agreements between Private-to-Private PPA (“Private PPA”) has already established, where the STP&I group will be the actual shareholder (Ultimate Shareholder) in the proportion of 50 percent of the paid-up registered capital of Impact Solar Group (Thailand) Company Limited ( “ISGT”) and a proportion of 25.52 percent of the paid-up registered capital of Impact Solar Company Limited (“ISL”).

**1.3.2** In this regard, no person who may have a conflict of interest holds shares in a subsidiary or associated company over 10 percent of the number of shares with voting rights of such company.

**1.3.3** Relationship with the business group of the major shareholder. There is no major shareholder of the business group. Holding shares in subsidiaries. Such joint ventures and joint ventures do not have a

transaction size dependent on or supported by a group of major shareholders. There is also no competition between them.

#### 1.3.4 Shareholders

##### (1) Major Shareholders

List of top 10 shareholders and percentage of shares holding as of 24 March 2023 (par value of Baht 0.25 each)

Name / Group	Number of Shares	% of holding
1. Kiatnakin Phatra Asset Management Company Limited (transfer from Minister Anutin Charnvirakul for his asset management)	164,590,285	10.13
2. Mr. Jirath Tharaphetsawad	81,039,611	4.99
3. Best Quality Skills Company Limited	77,880,000	4.79
4. Mr. Yanyong Nitisaroj	67,486,724	4.15
5. Mr. Choavalit Limpanich	64,899,995	3.99
6. Mr. Chavarat Charnvirakul	56,906,765	3.50
7. Ms. Patchsita Pongpittayasiri	54,435,609	3.04
8. Mr. Somchai Prapakamol	48,285,881	2.97
9. Thai NVDR Co., Ltd.	44,501,929	2.74
10. Mr. Phanupong Kunopakarnphan	37,395,000	2.30
Other Shareholders	932,448,517	57.39
Total	<u>1,624,831,478</u>	<u>100.00</u>

**Note:** \* Number of common shares It is the number of shares before the company proceeds with capital reduction due to the expiration of the deadline for selling shares repurchased according to the company's share repurchase program (Treasury Stock) for financial management.

## 1.4 registered capital and paid-up capital

### Company's Equity

- Common Shares

Registered capital and paid up capital as of December 31<sup>st</sup>, 2023, as follow;

Registered capital	400,329,375.00	Baht
Paid up capital	400,327,644.50	Baht
Common stock	1,601,310,578	Shares
Par value per share	0.25	Baht

## 1.5 Other types of Company security issuance

### 1.5.1 Treasury Stock

The year 2015, the Company approved a share buyback program for liquidity surplus management purposes as per the Board of Directors resolution no. 3/2558 dated on 9<sup>th</sup> September 2015. The summary of the program are:

- On December 2015, the Company has bought back 350,000 ordinary shares (par value of Baht 0.25 each), for a total of Baht 3.1 million (excluding other buyback expense).
- Year 2019 The Company to decrease its paid-up capital amount of 350,000 shares. The Company's paid up capital decreases from 406,295,369.50 Baht to 406,207,869.50 Baht.

In 2020, the company had a project to buy back shares for financial management. From the resolution of the board meeting No. 3/2020 on March 19, 2020 with the following details:

- April - October 2020, the company repurchased 26,180,900 shares for financial management purposes. The value of the repurchased shares was 120,642,666 baht (excluding expenses for purchasing repurchased shares).
- In September 2023, the company sold repurchased shares totaling 2,660,000; the remaining 23,520,900 shares were repurchased and have not yet been sold.
- In October 2023, the company reduced capital after the deadline for selling 23,520,900 shares repurchased, resulting in the company's paid-up capital decreasing from 406,207,869.50 baht to 400,327,644.50 baht

## 1.6 Dividend Policy

STP&I prohibits to pay the dividend if the company has deficit in the fiscal year. The dividend will only be paid from the Company's Net Profit and equally paid per share. Our dividend policy is to distribute not

less than 30% of the Company Net Profit after Tax and appropriated-statutory reserve to its shareholders. However, the Company may pay dividend less than the rate stated above upon the consideration of overall operational performance, the financial status and also other factors that can affect the company operations in the future. Subsidiaries and affiliated companies have the Dividend Policy to pay the company under their performance each year.

STP&I has paid dividends for the performance of year 2020 - 2022 as per below.

	As of 31 <sup>st</sup> December		
	2020	2021	2022
Dividend per share (Baht)	non-Issuance of Dividends Payment	non-Issuance of Dividends Payment	non-Issuance of Dividends Payment
Total Dividend paid (Mil. Baht)			
Dividend per Share			
Net Profit (Mil. Baht)			
Dividend ratio (% of profit )			

## 2. Risk Management

### 2.1 Risk management policies and plans.

The Company's Risk Management Committee is responsible for reviewing policies and compliance with the Company's risk management principles. and subsidiaries To ensure the company has an appropriate and effective risk management process. By following up on assessing risks that may arise from the situation. The changing business environment includes strategic, financial, operational, compliance, cyber, organizational, external, and corruption risks and establish measures to close or reduce risks regularly in the short and long term. The review results found that risk management operations are efficient enough according to the company's policies and strategic plans. The company has reviewed the risk management policy at least once a year.

The Company has disclosed the full policy on its website. You can see details on the Web link. <https://www.stpi.co.th/investor-relations-th/corporate-governance/>

### 2.2 Risk Factors

#### 1. Strategic Risk

##### 1.1 Risks in fluctuations of Income

STP&I's revenues are from steel structure fabrication, piping fabrication and process module which are mainly made to order works. STP&I's income are solely based on a success in getting new project and the uncertainty and delay of the Client's new investment projects will directly effect to our Company's revenue including the gross margin that may be reduced during the Company's revenue is insufficient to cover fixed costs.

However, STP&I aware such risks and has policies to secure the recurring income.

In 2016, STPS acquired ordinary share of WPGC Phetchaburi Co., Ltd. ("WPP") from the existing shareholders. The investment represents 60% of the registered capital. The main business is to operate a municipal solid waste power plant (waste to energy) with installed capacity of 7.9 megawatt and it already signed Power Purchase Agreement (PPA) for 5.99 megawatt with the Provincial Electricity Authority (PEA). This acquisition would support the Company group in expanding its business to a growing Renewal Energy sector which is in accordance with the Alternative Energy Development Plan 2015. In addition, this acquisition is expected to generate long-term recurring income to the Company.

Moreover, in 2017, STP&I expand to the property development and logistic business by established ST Property & Logistics Company Limited ("STP&L") and acquired land and buildings, which have had

long term lease agreements and could recognize revenue immediately. The acquisition of the asset is a scope extension in new business, which is, to diversify operation risk for earning certain revenue, create an opportunity of gaining additional profit other from the Company's core business, and also provide a sustainable growth to the Company and shareholders.

In addition, in 2019, STP&L expanded property development business by acquired 100% of ordinary shares from existing shareholders of Boutique Prakhonong 1 Limited and Boutique Prakhonong 2 Limited (currently renamed to ST Hill Company Limited and ST Hub Company Limited, respectively) in order to acquire the leasehold rights of land, office building and community mall which have almost full tenants and could recognize revenue immediately.

In 2020, STP&L acquired land and land lease agreement for approximately term of 30 years on Bangna-Trad Road Km.19 and Km.22, which are in the location with high potential for commercial development. In addition, they are purple areas that can be used for industrial and warehouse. Both land are in process of negotiating with the built-to-suit potential tenants and secure long-term lease contract. The Group intend to expand the property development business continuously.

In April 2022, STP&L acquired 90% of ordinary shares from the existing shareholder of Growth Warehouse Co., Ltd. to expand the property development and logistics business in the Northeast of Thailand.

In May 2022, the Company joined with PowerVault (Thailand) Co., Ltd. established SinoPower Co., Ltd. with 60 % shareholding to operate renewable energy business, including Solar Roof and Solar Farm.

In January 2023, the Company invested in the 600 MW Monsoon Wind Power Plant Project of Monsoon Wind Power Company Limited ("MWPC") in the Lao People's Democratic Republic. Which carries out the business of producing and selling electricity according to the power purchase agreement with the Vietnam Electricity Authority. Vietnam By establishing ST Clean Planet (Asia) Company Limited ("STCPA") to invest in common shares of Impact Monsoon Holdings Limited ("IMH"). After acquiring shares in IMH, the Company will be a shareholder with Ultimate Shareholder in the proportion of 15.87 percent of MWPC's paid-up capital. Currently, the said project is under construction. Revenue expected to begin to recognized around the beginning of 2025.

In December 2023, the company invested 50% in the solar power generation business in Impact Solar Group limited ("ISG"), which will make the company the ultimate shareholder in the proportion of 50% of the paid-up registered capital of Impact Solar Group (Thailand) Co., Ltd. ("ISGT") and 25.52 percent of the paid-up registered capital of Impact Solar Co., Ltd. ("ISL"). Both companies have a power purchase agreement (PPAs) installed totaling 106 megawatts can immediately recognize profits in proportion to their shareholding.



The company focuses on providing prefabricated factory assembly services in the LNG industry, an important energy source worldwide, and still has opportunities for continued growth. This includes producing work with quality and standards and delivering work on time. To be satisfied customers and build good relationships with customers to assign continuous work to the company.

However, there are still risk factors from the effects of the Ukraine-Russia war. Conflict in Israel may affect the project work that is the company's target project. Still, at the same time, there are policies to stimulate the economy of many countries and the demand for energy from production from within the countries in the European Union and America is increasing. There are also new projects that support environmental changes and zero carbon reduction policies in many countries. Therefore, there is still a lot of investment in new projects. who want to use steel structures, pipe work, and prefabricated factories the company will closely monitor the project and customer situation to prepare when the project receives investment approval or proceeds.

The company will continue to focus on the business of dismantling oil and natural gas rigs (De-commissioning of Offshore Platform), especially concession platforms in the Gulf of Thailand, which have begun to dismantled according to the concessionaire's plan and the Department of Mineral Fuel's plan. There will be many podiums in 2023, which have few competitors. The company has received work on demolishing several platforms and platform legs, which has started since the mid year of 2022 until now and still participates in the bidding for many items of platform demolition work. Including with other customers who still have a good chance of continuously receiving this kind of work.

In addition, the company has expanded recurring income to a greater proportion. Expanding investment in the Solar Roof business, both PPA and Solar Farm, and expanding the warehouse for rent business.

## **1.2 Risks in fluctuations of raw material costs**

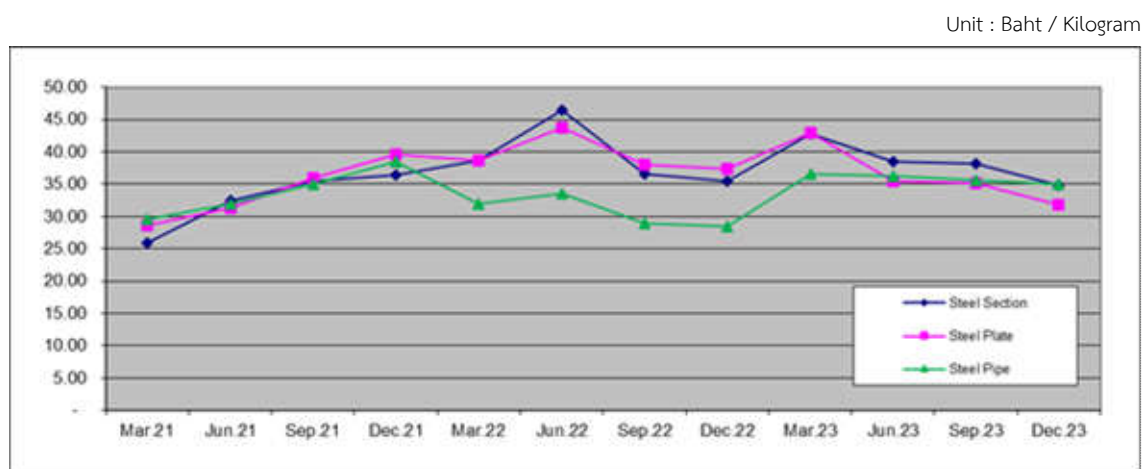
The Raw materials used by Company for steel structure fabrication and process module consist of steel section, steel plate and pipe which are affected by the risks of steel market price fluctuations, the Company closely follow that the price of steel section and steel plate from both domestic and Asian Europe United State market. When the project period is more than 1 year, the company try to do the long term agreement with the suppliers to maintain the steel price for the whole project period to eliminate the company's risks in price fluctuation. However, it will be depended on the market situation and supplier's cost of production. The Company sure that they can manage and control cost of raw material for the project and can make some margin, then they proposed to include the scope of supply material especially the steel plate and section to their clients.

Whereas the price of steel pipe especially for piping process which is special grade and has to import only and its trend is still fluctuate and uncontrollable, the company has thus proposed the customers to supply to the Company their own pipe.

In 2023, the company had projects that procured raw materials themselves, accounting for 75 percent of all projects. Orders for structural steel, steel sheets, and steel pipes, which are the main raw materials for production together, accounted for 27 percent of the total cost of sales in 2023, with the proportion of order value from domestic manufacturers and distributors compared to imports at approximately 43 to 57 percent.

The steel materials purchased during 2022 mostly required the steel grade in International grade. The company had evaluated the steel price situation and its trends from the beginning of projects and compared to the project's budget. The company found that the steel market price in that period seemed in high level and down trend. There is considerable fluctuation up and down Due to the impact of the global economy still slowing down resulting from various causes For example, the Chinese economy is still in a slowdown period. The impact of the Russian and Ukrainian wars, the war between Israel and Hamas, and the Red Sea crisis affects shipping, causing shipping costs and delivery times to increase. Therefore, the company considers ordering steel raw materials as carefully as possible. By summarizing orders occasionally as soon as there is a purchase request thus, company negotiated with the suppliers to get the best price at time and made the partial order by lot in order to minimize the further risks on price which might be in down trend in the near future. Company had inquired to at least 3 suppliers from both overseas and domestic suppliers for competition and getting the lowest cost for project. Company had continued following and monitoring the steel price situation and could plan carefully for the next purchase order.

The chart below shows price changes for steel section, steel plate and steel pipe from domestic for the last 3 years period.



Source: Company Purchasing Report for the domestic rate of Steel Section, Plate and Pipe.

In year 2020, the price of plate steel have a slightly increasing trend since 1st quarter until 3rd quarter due to the recovery of the world economics and suddenly the price have been sharply increasing in 4th quarter of the year continue to beginning of year 2021. While the section steel have price a slightly decreased from beginning of the year until almost of the end of year and the price have been sharply increasing in 4th quarter of the year continue to beginning of year 2021 similar characteristic of price trend as the plate steel price, the steel pipe have the price trend increased since year 2019 continually increasing to year 2020. In overall the average of plate steel price had increased from year 2019 compare with year 2020 equally 5.00 baht / k.g. as in percentage is 27.8% , while the section steel price had decreased from year 2019 compare with year 2020 equally -2.00 baht / k.g. as in percentage is - 8.7% and the steel pipe price still continue increasing from year 2019 to 2020 the price was increased equally 2 baht / k.g. as in percentage is 8.0 %.

(Remark: Price of steel pipe may be various, depended on its grade which specified by project requirement and its purchased period. The above steel price based on normal grade which from local suppliers).

The overall steel price in 2020 will not adjust much at the beginning of the year until the end of the year, due to the impact of the COVID-19 epidemic situation, many projects have slowed down construction. As a result, the use of steel raw materials worldwide has decreased significantly. It also resulted in some manufacturers to stop producing some sizes of steel with low demand because they weren't worth producing. The company remains cautious by closely monitoring the steel raw material price situation in order to estimate prices and determine the appropriate timing for purchases.

Up until the beginning of 2022, the price of steel sections and steel plate was continued increasing due to the demand of steel materials is still high which it's come from many factors such as the situation of the Covid-19 epidemic become. However, steel material production capacity is still insufficient to meet demand, the rising of oil prices, the initial raw materials for the production of steel plate such as scrap are still priced at a high level as well. The impact of the war situation between Ukraine and Russia also caused the purchase of raw materials from Europe to be affected as well. From the situations mentioned above including increase of shipping costs and longer lead time to book ship lines inevitably definitely affects the price of raw materials directly. For the third quarter of the year, the price of steel materials has a tendency to decrease considerably, however, it is considered that the average price is still quite high compared to the beginning when steel material prices began to adjust prices. The company tries to closely monitor the price situation and negotiate with manufacturers or steel suppliers to maintain steel prices or adjust prices as reasonable as possible in order to minimize the effect on project cost of the Company.

In 2023, the company is implementing various construction projects in the ending period of the project. As a result, the quantity of orders for steel raw materials will order in small quantities to fit

the amount of use. To control the situation of ordering more raw materials than necessary for use. Most orders will be ordered from sellers of stock raw materials, which causes the risk of purchasing raw materials at an order price higher than the price of newly produced raw materials. Some items must be imported from abroad, which is the situation with the price of steel raw materials. Overall, the year remained stable at a high level with slight fluctuations in a narrow range and a slight downward trend in the 3rd and 4th quarters due to the impact of the war between Russia and Ukraine. The war between Israel and Hamas and the Red Sea crisis have directly affected the purchase of raw materials from Europe and some countries in the Middle East. Due to increased shipping costs and delivery times, shipping lines must adjust shipping routes to be safer. Longer distance and time. This results in a decrease in raw material purchases from Europe. This will affect the Company's options for purchasing raw materials as well. To reduce such risks, the Company focuses on manufacturers and distributors in East Asia, Southeast Asia, ASEAN countries and countries in the Middle East mainly by negotiating the price terms and delivery to achieve maximum benefit to the company along with closely monitoring the situation to adjust the ordering plan in a timely and most appropriate manner.

### **1.3 Risks in shortage of skilled labor**

In 2022, the construction labor situation still has a shortage of workers, especially skilled workers, as many large domestic construction projects resumed work at the same time after the COVID-19 virus outbreak began. Unraveled, there is a large demand for labor, resulting in high labor costs.

In 2023, the construction labor situation still has a labor shortage, especially skilled workers, as many large domestic construction projects are continuing, including the opening of countries in the Middle East that require Thai construction workers to work together. The company's project work was accelerated but it has been unable to procure labor to keep up with demand. Therefore, it is necessary to use more contractors because the work rushes quickly and labor costs remain high.

The company has invested in machinery in the past 1-2 years to replace long-term workers and increase work efficiency. The company will focus on developing specialized labor groups to support the labor shortage, especially skilled workers with experience in steel structure fabrication. This is a part of work that needs to be replaced by machines and requires management to develop existing workers to be more capable and able to work in many areas and accelerate the development of new workers to have sufficient skills. Recruiting and using foreign workers in the company's projects supports the company's work very well to increase the number of workers for the company and, most importantly, manage the compensation of employees to create incentives by paying extra money for the project and working continuously until the project is completed. It also builds confidence for workers when working with companies with excellent safety management systems.

The Company is confident that it can provide enough labor and find more new sources of labor both Thai workers and foreign workers but it may be affected by the increase in costs of labor. However, the said risk is manageable due to our consideration and factor these risks since the bidding process.

## 2. Financial Risk

Financial Risk is the risks related to financial and investment policies and procedures. This affects the operating results and the Company's financial statements, covering the risk that the operating results do not meet the specified goals, including the risk of lack of liquidity, credit, investment or changes in exchange rates and interest rates, and the risk that the counterparty will not comply with the agreed obligations which will cause damage to the organization. The Company has the following risks;

### 2.1 Risks in foreign exchange rate fluctuations

Foreign exchange rate fluctuations are closely monitored by the Company. To avoid such risks, the Company through the assistance of local commercial banks has adopted the use of Forward Contracts and FX Options for overseas sales and matching of revenue and expense in the same currency. However, the Company does not buy forward contract for some foreign currency deposits because it was reserved for overseas expenses or overseas investments in future.

### 2.2 Risks in the policy of allowance for expected credit losses

The Company has policy to reserve the allowance for expected credit losses at the end of accounting period, which is calculated based on the age accrued from the due date for a group of clients with similar types of credit risk. The calculation of expected credit losses takes into account by weighted probability effect, time value of money and reasonable information available at the reporting date of past events, current situation, and forecast future economy conditions.

As at end of the year 2021-2023, the Company has the overdue trade receivables and allowance for expected credit losses as shown in below table. The transaction has been reviewed and evaluated by the Management with an appropriate practice.

Unit: Million baht

As at 31 December	Overdue Trade receivables	Allowance for expected credit losses
2021	38.47	4.38
2022	298.56	5.23
2023	383.23	11.32

### **3. Operational Risk**

It is a risk that arises from operating processes, work systems, or external events that affect the efficiency and effectiveness of operations. It covers risks arising from defects in the operating process that will result in no activities within the organization's efficiency and risks related to managing information technology data and various knowledge to achieve the specified goals.

The company must comply with ISO 9001 work standards and additional operational standards specified by each customer project. These standards will have annual inspection plans by independent organizations or pre-implementation inspections by customers and independent agencies of that project, thus significantly reducing operational risks. In the part that oversees the company's information technology work, there is a unit that is directly and adequately responsible, as well as using outsourced services that will support the information technology work system to run smoothly and solve problems promptly.

In addition, the company requires that a Close Out Report and Lesson Learn be prepared for each project to collect important information, including problems, limitations, and project control for use in preventing problems and reducing operational risks for future projects. And it has developed for transferring and communicating with the team continuously.

### **4. Compliance Risk**

Compliance Risk is a risk arising from non-compliance with laws, rules, regulations, announcements, orders, and guidelines of the Company and of external agencies including that the rules are not clearly defined discretion or interpretation is required. This will result in litigation or complaints covering risks related to compliance, regulations of regulatory bodies and risks related to various laws related to the Company's business operations which the Company has already complied with the specified criteria as usual.

The Company provide construction services and sales mainly under agreement with various customers. When needed and as appropriate for each specific project, the Company also hire subcontractors to perform parts of the work. Although management have reviewed those relevant agreements prudently and have negotiated terms and conditions with best efforts, there could still be risk from different contract interpretation or from customer's exercising of rights reservation to delay payments. If the contract parties could not settle such disputes after several attempts, the Company would then need to seek legal protection under the governing law and as stipulated in the agreement, such as to file petition to the competent arbitration office or court. This process normally lasts some years before disputes could be resolved.



## **5. Cyber Risk**

It is a risk related to cyber security caused by changes in information technology, including digital technology (Digital Transformation), which impact the Company's operations. It is a risk regarding data storage. Keep information safe by backing up complete and timely information and using electronic communication systems safely. The Company has established an information technology system by specifying a security policy for computer systems and information technology, which is disclosed on the Company's website, [www.stpi.co.th](http://www.stpi.co.th). Rights and procedures for accessing the information system have been established. There are procedures for using information, such as e-mail, the Internet, etc. There are guidelines for information technology administrators and for protecting and managing the information system when unexpected events occur to ensure that The Company's information system has a cyber risk prevention system and timely management when unforeseen events occur. In addition, the Company has also used Data Center services with outside agencies to help reduce the risk of information technology systems.

Our Company firmly believes that our meticulous information technology system management is a crucial pillar supporting our business's smooth and manageable operation and various activities. We are confident in the effectiveness of our approach and the measures we have in place to protect our systems and data.

## **6. Organization Risk**

The company has expanded investment in the energy business, considered a new business for the group. Therefore, it has acquired more or invested in various businesses in the past 2-3 years. It is risky to have good partners and analyze investments in new businesses that the company may have yet to experience. The company has carefully studied the latest business to invest in and uses consultants who are experts to examine data, analyze feasibility and return on investment, analyze pros and cons, and analyze risks. Risks and guidelines for preventing or reducing risks, including every investment, must be appropriately approved according to the investment size and compliance with the regulations and announcements of the Securities and Exchange Commission and the Stock Exchange of Thailand.

## **7. External Risk**

In 2023, the Company was somewhat affected by the war and changes in shipping routes, which increased the cost of imported raw materials from abroad that must pass through war-torn countries. The Company described risks from fluctuations in raw material prices.

## **8. Corruption Risk**

It is a risk that arises from any action to seek illegal benefits by giving or receiving bribes, whether in the form of money, items, or gifts of high value. The company has emphasized this to all departments by communicating with employees regarding the anti-fraud and corruption policy and the policy for

receiving/giving gifts or other benefits. To ensure strict compliance, especially for purchasing agencies that are at risk of corruption, work procedures for proposing multiple vendor options have been established, and approval procedures are in place to ensure compliance with the authority to approve the limit of documents within the company that has been approved by the Board of Directors, the rotation of duties so that there is no long-term familiarity with the store, etc.

Political contributions, charitable donations, hospitality fees, or other expenses by offering to promise to give, make promises, demand, give, or receive money or any other inappropriate benefits to government officials, government agencies, the private sector, or persons with duties, whether directly or indirectly, for the agency or person Acting or exempting from the performance of duties illegally.

The Company believes that fraud and corruption risks continuously have a policy and management and are supervised by the Audit Committee and the Board of Directors. Therefore, such risks can be adequately managed for the Company's operations.

### 3. Business Sustainability

#### 3.1 Sustainability Management Policies and Goals

##### Mission

- The Company provides the highest satisfaction and continuous returns to our shareholders
- The rights of all stakeholders with fair and equitable
- Aiming to provide excellent services.
- Operating the Company with social responsibility on community, society and environment.
- Explore opportunities to new related business for growth and strong profit.

In realizing the rights of all shareholders and all stakeholders, the Board of Director has determined corporate good governance policy for the Executive Committee to conduct business with focus and professional. The Executive Committee was assign to execute, maintain, review and improve the operation compliance with the good corporate governance policy as a listed companies in the Stock Exchange of Thailand.

#### Sustainable Development Goals

##### Environmental

The company is deeply committed to environmental responsibility, including addressing climate change. This commitment extends to our social responsibilities, where we provide knowledge and training to our employees to use resources efficiently and avoid environmental issues. We adhere to work standards and customer needs and actively support guidelines for environmental protection and reducing our operational impacts on communities and the environment.

##### Social

The company operates with a strong focus on stakeholder consideration, adhering to international standards and striving to improve the quality of life and well-being of our employees and communities. We prioritize safety and human rights and actively promote personnel development. We leverage our potential and resources to support social projects and activities, aligning with our broader goals.

#### Good corporate governance and economy

The Company places paramount importance on conducting business with fairness, transparency, honesty, and ethics, all directed toward our esteemed stakeholders. We are committed to performing our duties responsibly and creating competitiveness by adhering to good corporate governance policies and related

practices, as guided by the Securities and Exchange Commission and the Stock Exchange of Thailand. We aim to enhance excellence in our current business and seek new opportunities that promote sustainability and maximize shareholder value, demonstrating our unwavering commitment to our stakeholders.

The Company has established various policies directly related to sustainability development, including the Good Corporate Governance Policy, Corporate Social Responsibility Policy, Safety, Health and Environment Policy, and Human Rights Policy, disclosed on the Company's website: [www.stpi.co.th](http://www.stpi.co.th)

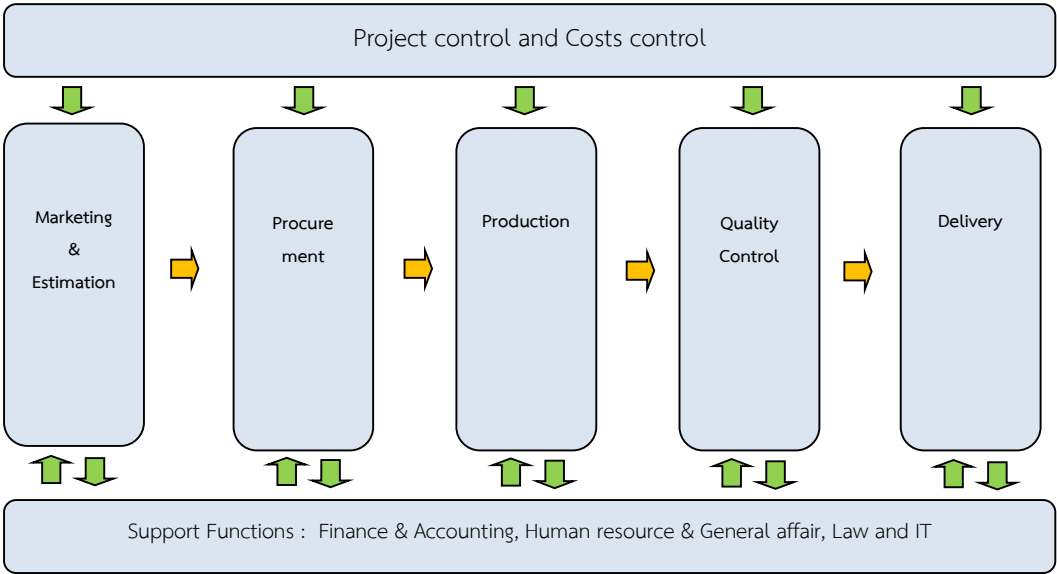
In 2023, a Sustainability Working Group comprised of people from 15 internal departments of the Company along the business value chain will form. The Sustainability Development Plan (ESG) has been prepared in line with the business strategy and goals and has established guidelines for managing sustainability risks in each dimension by setting the sustainable development goals for 2023 as follows;

- 1. Environmental dimension - dealing with climate change
- 2. Social dimension - regarding quality of life and well-being
- 3. Good corporate governance and economic dimensions – cooperation for sustainable development (Partnership)

The Company has followed the ESG disclosure guidelines of the Stock Exchange of Thailand by collecting and reporting ESG information disclosure in the ESG Data Platform system every year and has fully disclosed information according to the criteria for supporting measures of the Stock Exchange of Thailand. In addition, the Company has promoted and supported the Company's personnel to receive training in this matter two times in 2023.

3.2 Management effect of stakeholders in Business value chains

3.2.1 Business value chains



**1. Project control and Cost control** has responsible for controlling the project performance which included planning, scheduling, control budgeting, reporting project performance compare with the budget, and communicating and managing customer properly. The project control ensure that the project performance will be reported to project manager and related parties in time and will be evaluated for the project manager to implement and improve their performance as quick as it can be.

**2. Marketing & Estimation** has responsible for contacting customer directly for bidding project. In many cases the Company is invited fromfrom Customer (Owner) or main contactor to involve in the bidding project Marketing & Estimation team shall request all bidding information of the works such as initial drawings and terms and conditions in order to evaluate the workload and price for bidding the project.

**3. Procurement** has responsible for considering the sourcing and supply of raw materials for use as a component of the product and other services since the bidding process to production and delivery to customer. Each project the company shall negotiation on scope of procurement which are in 2 cases as follows;

3.1 Customer supply main materials (Free Issue) such as steel plate, steel section, steel pipe and equipment. The company has to manage the free issued materials from receiving, maintaining for ready use and reconcile usage for customer

3.2 In case of supply main materials by the Company,the company shall collect all quotations of materials from supplier for estimating the project bidding price. When the project starts, procurement shall plan to supply of raw materials and services as per project budget and production plan. The procurement shall compare price and conditions from suppliers both local and foreign countries.

For importation materials for production and export, the Company shall follow the Board of Investment privilege on imported materials.

**4. Production** process starts from preparation of engineering drawing, preparation of steel material for cutting, drilling, fitting, welding, coating and assembling all components. Each processes were done by skilled craftman and equipment to ensure that all finished products are in good quality and on time delivery.

**5. Quality Control** The Company determine quality control under both production section and quality control section by design the quality control and quality inspection at each step of production process The Company also responsible for quality assurance to ensure the all finished

products are standardized as per requirement from customer and compliance with laws before delivery to the customer.

**6. Delivery** The Company shall delivery products ontime as agreed in the contract and warrant the products after delivery.

### 3.2.2 Analysis of the stakeholders in the value chain of the business.

Stakeholders	Stakeholders' Expectations	Satisfaction of Stakeholders' Expectations
<b>Internal Stakeholders</b>		
Shareholders	<ul style="list-style-type: none"> <li>● Good returns</li> <li>● Good Corporate Governance</li> <li>● Business continuous growth and strength</li> <li>● Accuracy, adequate, and transparency of Company information</li> <li>● Good Risk management system</li> <li>● Good Audit and Control system</li> </ul>	The Company commit to operate its business with integrity and quality to ensure that shareholders will have a sustainable value benefit by working efficiently and finding an opportunity of investment to continue growth. Respect shareholders' right to receive necessary information with fair. And the Company disclose information with transparency and accurate to shareholders.
Board of Directors	<ul style="list-style-type: none"> <li>● Abide by related law and regulations and the Code of Conduct</li> <li>● Practice with transparent and verifiable</li> <li>● Business accomplishment</li> <li>● Governance business to continue growth</li> </ul>	The Company concerns to corporate good governance by abide by its policy and report a business performance to the Board of Directors for acknowledgement.
Employees (Executive employees, Operating employees)	<ul style="list-style-type: none"> <li>● Stability and progress in job responsibility</li> <li>● Fair benefits and salaries</li> <li>● Proper welfares and safe environment</li> <li>● Equitably in job's opportunity and career path</li> </ul>	The Company commits to provide compensations, promotions, improving skill abilities, benefit, and fair workplace to ensure that the employees will have a safety workplace, moreover, the Company has always opened for opinions and suggestions from employees and

Stakeholders	Stakeholders' Expectations	Satisfaction of Stakeholders' Expectations
	<ul style="list-style-type: none"> <li>● Training roadmap to improve the abilities</li> <li>● Well atmosphere</li> </ul>	practice with fair and equitable to all level.
<b>External Stakeholders</b>		
Customers (Project Owners, Main Contractors)	<ul style="list-style-type: none"> <li>● Bidding with fair price and transparency</li> <li>● Recieving quality products as per requiremnet</li> <li>● Satisfaction of on time delivery</li> <li>● Commitment to the agreement with fair</li> <li>● Products and services guarantee</li> <li>● Keep confidential information of the customers</li> </ul>	The Company has not only made the customers' satisfaction system to improve its services but equitably treats customers by providing services information to customers with accuracy without mislead information. The customers' satisfaction result will be evaluated for service improvement.
Business partners (Raw material manufacturers, Product manufacturers, Contractors)	<ul style="list-style-type: none"> <li>● Receiving accurate information and on time commitment</li> <li>● Fairly abide by agreement and payment conditions</li> <li>● Fair price competition and transparency</li> <li>● Educate and develop raw material manufacturers</li> </ul>	The Company deals with business partners with equitability and fairness in mutual benefits. The Company develops and sustain relationship among partners by creditability creation through the adherence of procurement regulations as stated in the procurement procedures along with ISO 9001 : 2015
Creditors (Financial Institute, Suppliers)	<ul style="list-style-type: none"> <li>● Accomplish terms and conditions of the contract</li> <li>● Transparency business operation</li> </ul>	The Company adheres to the terms and conditions of the loan agreement by punctual to repayment loan and interest to finanacial institute and to pay the supplier .
Business Competitors	<ul style="list-style-type: none"> <li>● Fairness and transparency competition</li> <li>● Exchange information of products, source of raw material,</li> </ul>	The Company concerns on operating business under a fairness and transparency competition by does not trading secret and infringes on the intellectual property rights of others



Stakeholders	Stakeholders' Expectations	Satisfaction of Stakeholders' Expectations
	and tools and equipment for manufacturing	or competitors.
Community, Social, Environment, Health and Safety (community surrounding plants, overall social)	<ul style="list-style-type: none"> <li>● Good relationship</li> <li>● Support community's activities</li> <li>● Do not harm or hazardous activity to the community and environment</li> <li>● Commitment to the Human Rights and Anti-Corruption principles</li> </ul>	The Company concerns on social responsibility by abide by law and regulations including cooperate with governmental sectors to operate the company's business with good quality and does not make any damage to community daily life, social life, and environmental surroundings, moreover, supporting the community in life improvement aspects such as educational, energy saving, and environmental.

### 3.3 Environmental Sustainability Management

#### 3.3.1 Policy and Guidelines for Environmental

The Company realizes the importance of participating in society and environment care to be better quality and conducting different activities to support social development and a sustainable environment. Management approach : The company disclosed "Corporate Social Responsibility" at the company website click on the link <https://www.stpi.co.th/investor-relations-th/corporate-governance> key summary as follows:

- Conduct business operation with society and environment concern.
- Intend to reduce and prevent pollution from operating
- Strictly comply with the relevant laws, regulations and related practices.
- Continuouslt develop and improve work standards to comply with environmental standards.

More details at the website link <https://www.stpi.co.th/investor-relations-th/corporate-gorstance/>

#### 3.3.2 Performance of environment

- Water Resources Management

Water resource is important natural resource for life and economic operations. The company is committed to planning and managing water resource usage efficiently including scheduling for regular preventive maintenance to ensure that there is no water supply leakage. In addition, water resource saving campaign is arranged in order to raise employees' awareness and ensure the utmost benefit from utilization. As the company is located in the eastern area, with high humidity and raining almost throughout the year, the company therefore has built an underground rainwater collection for the purpose of general usage such as cleaning, watering the plants, etc. This is considered to be the utmost utilization of natural resources deriving from climate change advantage. In 2022, the company has set a target reduce water consumption in the bathroom by 3% (Person per day) The results were found Water consumption is 0.28 cubic meters/person/day. decreased by 21.66% compared to 2021. Which is considered that the Company able to plan water usage cost-effectively and efficiently.

In 2023, the Company set a goal to reduce its total water consumption by 3% compared to the previous year. The results found that there was a water use amount of 0.06 cubic meters/person/day compared to 2022, with a water use amount of 0.05 cubic meters/person/day, and 2021, with a water use amount of 0.05 cubic meters/person/day. The total water consumption of the Company in 2023 increased by 22% compared to 2022 when the Company could not reduce the amount of water used. In 2023, the Company had work activities related to force testing. Pressure water in the work process that requires more water. Therefore, in 2024, the Company will set additional targets in terms of the amount of water used compared to production units with production weight in kilograms to control the total amount of water used by the Company. Compared to last year, it is consistent with actual work efficiency.

- **Energy Management**

The Company has continuously placed the importance on energy management; therefore, energy utilization has been analyzed and planned to maximize the utmost efficiency. The company has raised the awareness to encourage the employees to be part of energy saving campaign by applying the following measures such as replacing existing bulbs with energy-saving LED bulbs, using a VDO Conference system, turning off the lights during lunch break, adjusting Hi-mast lighting time and installing power generation system from solar cell.

In 2023, the company has set a goal to reduce electricity use by 3% compared to 2022. The results found that the amount of electricity used in 2023 was 3.23 kilowatt-hours/person/day. In 2022, there was an amount of electricity used. at 5.35 kilowatt-hours/person/day and in 2021, electricity consumption is at 6.25 kilowatt-hours/person/day. Therefore, when comparing the electricity consumption of 2023 with 2022, the electricity

consumption decreased by 39%, being able to achieve more than the set goal. From the company's electricity usage data in the past, it was found that the amount of electricity used depends on the production volume and the number of people. Therefore, in 2024, the company will set additional targets in terms of electricity consumption compared to unit volume. Production with production weight in kilograms To control the amount of electricity used Compared to last year, it is consistent with actual work efficiency.

- **Waste Management**

To ensure that contamination has been prevented, the Company has performed waste management starting from the beginning of the process; this includes waste segregation, monthly waste balance and waste record submitted to Department of Industrial Works.

Moreover, the company also reenforce waste management campaign according to 3R guidelines as follows:

1. **Reduce** - By reducing waste input into the factory. For example, reusable shopping bag, using food container as lunch box instead of single use plastic bag. etc.
2. **Reuse** - By reusing used items such as using 2-sided paper, reusing paint containers as toolboxes.
3. **Recycle** - Waste segregation before littering including General waste, Compostable waste, Recyclable waste and Hazardous waste. Materials that can be recycled shall be segregated for further recycling process.

**Type of waste**

1. Hazardous Waste such as contaminated materials, contaminated containers, light bulbs, waste paint, solution, etc. This type of waste will be sent for disposal by an organization authorized by Department of Industrial Works.
2. General Waste and Non-Hazardous Waste such as plastic bags, paper, fireproof fabric, steel scrap etc. Some of which will be sent for disposal with the organization authorized by municipality or Department of Industrial Works. Waste that can be reused e.g., paint containers, drinking water bottles, shall be donated to requested parties.

In 2023, the company has set goals for managing garbage and waste from production. By reducing the total amount of garbage and waste by 3% compared to 2022, which from the information found that the company has a total amount of garbage and waste in 2023 equal to 1.06 kilograms per person per day. In 2022, there was a total amount of garbage and waste equal to 0.59 kilograms per person per day and in 2021 The total amount of garbage

and waste is equal to 0.47 kilograms per person per day. When comparing between 2022 and 2023, it was found that in 2023 There was a 78% increase in the total amount of garbage and waste. The set target could not be achieved because in 2023 the company had work activities related to separating parts for reuse and recycling. (Recycle) has increased, so in 2024 the company will set additional goals by separately collecting comparative data. In terms of garbage and general waste and waste that is reused and recycled. (Recycle) from production To control the total amount of garbage and waste of the company. Compared to last year, it is consistent with actual work efficiency.

#### **Future Plans and Development**

The company has realized the importance of environmental contamination prevention systems for waste storage and segregation. In 2022, the company had improved hazardous waste storage area in order to ensure that waste had been collected, segregated and stored properly. In 2023, the company has continuously developed waste management program in which recycled waste shall be segregated and/or donated to requested governmental department for further social and community benefit..

- **Air Pollution**

The company has authorized the qualified third parties, according to Department of Industrial Works standard, to monitor the Ambient Air Quality regularly. In 2022, the ventilation stack inspection including ambient air quality monitoring were performed to ensure that emission value shall be in compliance with legal requirement and also in line with Initial Environment Examination (IEE) measures standard.

The objective target set at 100% legal compliance was achieved as planned.

- **Water Pollution**

Wastewater treatment has been managed using both Aeration Lagoon system and Septic tank in order to ensure that wastewater quality meets legal standard requirement. Selective Effective Microorganisms (EM) on a weekly basis shall be applied to maximize the efficiency of wastewater treatment system.

The company has also authorized qualified third parties, according to Department of Industrial Works standard, to monitor wastewater quality on quarterly basis. Discharged wastewater shall be analyzed by authorized parties to ensure its compliance with legal requirement and also in line with Initial Environment Examination (IEE) measures standard.

- **Noise Pollution**

The company has provided preventive measures for noise pollution including noise level monitoring in both working area and ambient noise. The monitoring was performed to ensure its compliance with legal requirement and also in line with Initial Environment Examination (IEE) measures standard. The objective target set at 100% legal compliance was achieved as planned.

The Company has also organized Hearing Conservation program in order to educate and monitor employees who might be at risk of loud noise level environment according to the announcement of Department of Labor Protection and Welfare under the criteria and measures for hearing conservation in the workplace.

- **Greenhouse Gas**

The Company has installed a system for generating electricity from solar cells (Solar Cell). Electricity from solar cells was used 956,406.28 Kwh. in 2022 (March to December). In 2023, there was Electricity from solar cells 1,008,688.49 Kwh, which can reduce indirect greenhouse gas emissions by 1,143,881.67 kgCO<sub>2</sub> per year (indirect greenhouse gas emissions coefficient of electricity is 0.5821 kgCO<sub>2</sub>e/Kwh)

#### **Employees Awareness Training**

The company has foreseen the existing environmental issues which have led to worldwide impact. Therefore, environmental related training programs have been organized to ensure that sufficient knowledge and awareness are communicated among the employees who shall be part of environmental problems resolution. The courses are inclusive of ISO 14001:2015 Management system standard requirement, Environmental Risk and Aspect Identification etc. The employees shall also understand and be able to anticipate both positive and negative impacts deriving from company activities in order to determine preventive measures for potential environmental impacts of the organization in the future.

In 2022, the company has organized Corporate Social Responsibility (CSR) activities, such as Safety and Environmental Awareness Campaign at Ban Banglamung School. The objective was to promote awareness and knowledge in regard to Safety and Environment for children starting from kindergarten to primary level. Mini games and activities were adapted to suit target group such as unseen danger from tools, equipment, toys, playground, etc. Basic knowledges of environmental management such as water resource saving, electrical energy saving and waste segregation had also been introduced via games and plays.

Besides the above-mentioned activities, steel scrap grating containers, used paint containers had been donated to governmental organizations requested for waste segregation purpose.

### 3.4 Social sustainability management

#### The sustainability policies and practices of social aspect

The company and the Group Company have policies and labor practices with fairness and respect human rights starting from giving the job opportunity to everyone in order to recruit people to employ in the Group Company. The Company provided development training, a consistent evaluation system for employees. It is believed that continuous development in human resources will increase the efficiency and engagement of the employees, which is a guideline for sustainable mutual success.

*Employee Recruitment* The Company has established a code of business ethics regarding the principles of respect for human rights, labor practices of employees without discrimination and operations that are legal and following the business plan. Therefore, the Company has planned workforce to support the current and future business operations of the Group Company via both internal and external job advertising, company fanpage in Facebook to open opportunities for those interested in joining the Company and also providing clear information about the corporate and recruitment. There is no sexual discrimination, religion, race, language or physical integrity in any way. The Company has offered fair and competitive benefits that cover both monetary and non-monetary welfare benefits. The opportunity for career growth with the Company depends on performance-based and there is human resource development systematically.

*Management Approach* The Corporate has an employee development policy to aim every employee to have a high capacity, professional expertise, a good attitude at work, be valuable employees to the Company, social, and the country. Moreover, the Company has determined the career opportunity, benefits, promotion, rotation, potential development as well as maintaining the working environment for highest safety with fair and appropriate. In addition, compliance with human rights policies is promoted. And additional, Policies on child labor and modern slavery have been implemented in 2023, which have been informed to stakeholders, including disclosing on the company's website. and in Attachment 9 of this One Report.

*Receiving a Complaint* Also, the Company give opportunities to employee to comment, suggest or complain if there are human rights violations by providing complaint channels through the Company's website and/or email to the Chairman of Audit Committee as attached files no.9 Corporate Governance Policy

*The Use of Technology in Human Resource Development* For long-term development of employee, the Company recognizes the important of using information technology tool to organize human resource

management by developing workflow, communicating and sharing knowledge among employees including online meeting, work from home. Furthermore, employees can access to the information and knowledge sharing at any time on database system of the Company through electronic devices which bringing benefits to employee in term of study and continuously develop their competencies.

*Employee Training and Development Programs* The Company realizes that training is a way to increase workability for human resources within the organization to develop the potential of working efficiently by the needs of the Company. Also, it is a transferable experience to the new employees trained for the next generation. In addition to the general course on the management system that the employees can apply to their work, it still has a training course for employee development aiming at leadership skills and how to be a good manager, etc.

In 2022 Due to COVID-19 Situation, then the company is quite a lot of training restrictions and training has been cancelled. However, the Company still provided courses that were related to health and safety of employees in their work.

### **Occupational Health, Safety and Environment**

The Company value employee safety by announcing occupational health and safety policy and working environment policy to control and monitor to compliance with safety regulations and implement according to the relevant laws including references to standards in occupational health and safety. There are rehearsals and training every year and report the operating result directly to the executive committee as following details.

- Prevent accidents, injuries, and illness due to operations with the cooperation of employees and all contractors as well as limiting and controlling risks in unsafe operations by providing a briefing and checking safety readiness before operating in the area
- Cooperate with government agencies and private organizations to careful suspend emergency and accidents from operations effectively.
- Comply with laws and regulations strictly in regards of safety and implement good safety standards in business operations
- Provide tools equipment to prevent, mitigate and control risks of accident and potential health impacts from operations, transportation, services, as well as guideline for controlling emergencies to reduce losses and injuries.
- Set procedures, action plans, and training including educating employees at all levels to have knowledge, understanding, and sufficient information regarding work safety to prevent danger from work or various diseases which can be applied to their day to day life.



- Provide safety measures for employees and those involved by providing a safe and hygienic working environment.
- Provide training; both theoretical and practical to ensure that work activities are carried out in safety manners. Tools and equipment are utilized and suit for the job type.
- Periodically review health, safety, and environment management policies and ensure that it has been communicated and complied.
- Acknowledge suggestions and comments from both internal and external parties e.g. employees, business partners, communities, the government, and any other relevant parties in order to maintain good standard practices and continual improvement.
- In 2022, According to the Ministry of Public Health announced on October 1, 2022 onwards to cancel COVID-19 from a dangerous communicable disease and prescribed as a contagious disease that must be monitored by the cancellation of COVID-19 from dangerous communicable diseases. Due to the world epidemic situation, there is a tendency of the number of patients with severe symptoms and death rates decreased. Coupled with the number most of people who received the vaccine to prevent the COVID-19 at a high level, which are more immunity. Therefore, the Company should adjust the rules legal measures to be in line with the relaxation of measures according to the current situation. Therefore, in order to be applied in accordance with the said measures, the company has to change the practice which are . The cancellation of the situation, reporting the number of people infected with the week, cancelling the weekly's ATK random inspection of each factory/branch (to except who are in the case of a suspicious patient or in the position of a meeting organizing activities), that need to be gathered a lot, cancelling the temperature screening before entering the company area except for suspicious patients to screen. However, it is still recommended to wear a mask while working in the Company's areas and in the . Attend the meeting room with a Air-conditioned for training, organizing, and various activities that are included in many people. The Company still requests and in the case of employees to communicate with communicable diseases. To and inform the supervisor immediately if they are in a potential to have COVID-19 and And they should see a doctor for treatment and separation from others, sick leave for resting and separating from others following To be in accordance with the period specified according to the medical certificate on a case-by-case basis.

In 2023, the Group Company has arranged Safety Training courses as Annual Training Plan are as follows

- Safety Officer in Management level.
- Safety Committee
- First Aid and CPR
- Basic Fire Fighting and Evacuation
- Risk and Occupational Assessment
- Communication techniques with safety employees

## HSE Performance

Item No	Description	2021	2022	2023
1	Average Employee ( Person )	1,420	3,688	4,325
2	Working Hours	4,226,814	11,551,152	13,215,306
3	Number of Medical Treatment Cases (MTC)	27	36	10
4	Total Cases of Lost Time Incidents (LTI)	0	0	0
5	Total LTI days	0	0	0
6	Total Environmental Incident Frequency (TEIF)	0	0.01	0.01
7	Significant Spill Incident Frequency (SSIP)	0	0	0
8	Total Recordable Incidents Rate (TRIR) per 200,000 Hrs.	1.28	0.62	0.15

From the table, it can be seen that in 2023, the company had the highest number of safe working hours of 13.2 million hours and no lost time injuries (No Loss Time Injury - LTI), which is an excellent level and meets customer requirements and creates customer satisfaction due to focus on work safety is one of the project's successes.

## Corporate Social Responsibility

The company conducts business with responsibility to community, economic and environment, adhering to principle of corporate good governance. The Company has a Corporate Social Responsibility Policy which call for balancing respectful treatment and development among all stakeholders.

“**Stakeholders**” mean employees, directors, shareholders, partners, customers, consumers, suppliers, creditors, debtors, community nearby and community in a remote area, natural environment, government, government agencies, the Country, including other related parties, Stakeholders who could be affected from the Company’s operation. And also, it could be affected directly or indirectly to the company, therefore, there will be 2 groups of stakeholders as follows:.

1. **Primary Stakeholders** – Related parties who involve directly to the Company’s business such as client, partners, supplier, employee and employee’s family, shareholders, investor, debtor and nearby community.
2. **Secondary Stakeholders** – Related parties who involve indirectly to the Company’s business such as government, government agency, association, professional, Non-Profit organization, potential client, potential candidate, other communities.

The Company has a policy on Social Responsibility which is in line with the Corporate’s policy and Corporate Good Governance

1. Conduct business with integrity, transparency, fairness, and traceability for the growth of the Company together with the development of well-being of employees, communities, society, environment and all other stakeholders.
2. Promote and educate on humanity and environment to all level of employees in order to define the guide of improvement and sustainability responsibility of society and environment.
3. Promote to set up an activity that related to social responsibility to society and environment by using the Company’s existing resources to success with cost effectiveness and efficiency.
4. Extend their collaboration and promote staff members to fulfill these policies successfully

#### **The Company Social Responsibility**

The Company social responsibility is in line with the business operation or activities that create value to the Company and to the society. The value added will be benefit to shareholders and all stakeholders and also increase the Company’s competitiveness in term of productivity. In addition, it also create the good relationship among stakeholders which enable to sustainable growth to the Company. The Company has conducted the Company social responsibility as follows:

1. Our management and engineer realized that we work professionally under the agreed contract for client by producing the process of work and product as per client’s requirement on engineering specification, related standards of both local and exported foreign country. We ensured that consumer use our product safely which is our standard of work. Moreover, the safety record of our working time without loss of injury.
2. The company has complied to the agreement and condition to our client with international standard. The company also has a policy to keep the confidentiality of client’s information. The Company will not public and not take advantage on the client information.

3. The Company concentrate on the limitation of resources and duty to protect the environment therefore the Company has evaluate and examine the quality of air, sound, waste water, and dust every year.
4. The Company has been certified for ISO 14001: 2015 Environmental System Standards and has committed to set and comply with environmental standard requirement to ensure that there is no environmental impact to related parties. The Company has continuously improved monitoring standard, such as environmental quality measurement campaigns for employees to be aware of the use of office materials appropriately, reuse of paper, turning off lights, air conditioning and the computer during the lunch break, replacement of fluorescent lamps with LED, waste management etc. All these activities will help save the unnecessary expense and conserve natural resources as well.
5. The Company has communicated awareness of the proper use of tools, machinery and equipment as per instruction manual, training before use, and ensure that preventive maintenance with regular inspection are applied. The Company has training to develop our staff competency in order to having a career path and promotion efficiently. And to ensure that all employees are treated fair and proper decision.
6. The Company has training to develop our staff competency in order to having a career path and promotion efficiently. And to ensure that all employees are treated fair and proper decision.
7. The Company realized that the well-being of employees physical health by providing an annual health check every year
8. The Company has been certified for ISO 45001:2018 Occupational Health and Safety standard. which emphasizes on management to reduce the risk that shall lead to injury and illness. This can mitigate hazards and risk which might affect health and welfare of employees. The Company believes that if employees work safely, they shall return home safely as well.
9. The Company's actions towards stakeholders and communities surrounding the factory location
  - Arrange a team to monitor and take care of environmental quality and safety at the factory to take care of the environment and safety, which will coordinate and take care of the community closely and continuously.
  - Provide knowledge and organize training for employees, communities, students, and the general public to gain knowledge and understanding of the Company's business operations, including knowledge and experience about clean energy and its correct use in daily life.

- Allocate a budget to help and support community activities in education, tradition, local health, and environment to improve living conditions jointly.
- Support hiring permanent and temporary employees from community members according to their potential, abilities, and aptitudes to create employment and develop knowledge and skills.

In 2023, the Company organized social activities (Corporate Social Responsibility: CSR) such as

- the well-being Municipality Project in front of Baan Na Mong at Thepparat Road, Chonburi Province, which is a collaboration between citizens and agencies in every sector to develop cleanliness and improve the landscape of the environment to be clean, beautiful, orderly and create awareness among citizens of the importance of protecting the environment, the Recycled Pha Paa Project joins with Khlong Tamru Subdistrict Municipality to bring in income from donations and sales of recycled waste to provide opportunities for people experiencing poverty in the area to have a better quality of life.
- At the end of 2023, organize the STPI Caring for Community Health Project at Bang Lamung Community. Bang Lamung District Chonburi Province promotes good health in the community, including providing lawn mowing equipment to help maintain the environment.

10. The Company has taken proactive measures to reduce the rate of illness caused by germs, with the aim of continuously lowering the rate in the years to come.

- Eliminate insects inside the office building that may be carriers and causes of disease transmission monthly.
- Provide common household medicines and alcohol gel to relieve initial symptoms for employees.
- The Company arranges monthly disinfection spraying.
- The Company has made it convenient for employees by Arranging doctors and nurses at affiliated factories, ensuring they can receive timely health advice in case of illness.
- Arrange annual health examinations and encourage employees whose health examination results do not meet the criteria to see a doctor for advice, treatment, therapy, and rehabilitation.
- The Company Provides comprehensive health insurance benefits for employees, covering outpatient, inpatient, and accident care, ensuring their health needs are well managed.
- Encourage employees to have health promotion activities outside work hours, such as fitness benefits.

From managing sustainability in the social dimension mentioned above, as a result, in 2023, the Company has no significant disputes related to employees and labor.

### **Anti-Corruption**

STP & I Company Limited (Thailand) conducts its operation with fairness, transparency, abide by the rules and regulations to all stakeholders properly. The Company has established policies against corruption to guide the duties of directors, management, employees and stakeholders which had been informed to them.

The Company has disclosed the full policy on its website. Details on the company's website [www.stpi.co.th](http://www.stpi.co.th)

#### **1. Anti-Bribery and Anti-Corruption Policy**

The company's board of directors, management, employees, subsidiary or other companies which are under our supervision, must strictly adhere to the Anti-Bribery and Anti-Corruption Policy in order to ensure that they will accomplish their duties with integrity and refrain from direct and indirect bribery or corruption of all sorts. The company has emphasized the policy across all areas of the company's operation, as well as to comply with the applicable laws, regulations, notifications, ruling and requirements relevant to business operation. In this regard, the company will not penalize those who refuse to take bribery or corruption although such action would cause the company to lose business opportunity.

#### **2. Definition**

The company has declared the definitions that explain the Anti-Bribery and Anti-Corruption Policy as follows;

**Dishonesty** : To do an act in order to procure, for himself/herself family, friends, acquaintances or the other person or the company, any advantage to which he/she is not entitled by law.

**Corruption** : The exercise of power in office or in the course official duty with a view to acquiring undue benefit for his/her own or for other persons or for the company.

**Bribery** : The act of giving or receiving property or any other benefits for the purpose of influencing the action of proceeding, not proceeding or postponement of his/her public or legal duties.

**Hospitality Expenditures** : The expenditures for the reception or hospitalization of any person who deals with the company by occasion, tradition or as a desirable social manner, including the cost of food, accommodation, hospitalization (such as transportation fares, visiting cost, etc.).

**Gifts :** Money or object which is transferable to money (such as gift card, voucher, cashier's check, etc.) or stuff or privilege (such as discount, premium, etc.) being handed between the company and those dealing with the company by courtesy, tradition or as a desirable social manner, such as gift, hamper, flower basket, calendar, stationery, sampling product, souvenir, etc.

**Donation & Sponsorship :** The giving of money or object or any other benefit to a public or private agency or to a juristic person or an individual to serve the charitable purpose for the support of society, religion and education as well as public relations and image enhancement which may be done in many forms, such as a donation of money or objects to victims of a natural disaster, donating money to foundations or a donation of lunches to underprivileged students, Support for cultural activities, arts, education, community health etc.

**Political Contributions :** Contributions made in money or other forms of assistance with the aim to support political activities. Financial contribution also covers the giving of loans. Other forms of assistance vary, such as the giving of objects or the provision of a service, an advertisement aiming to promote or support a political party, the purchase of tickets to specific event held to fund or collect donation for an organization that is close to a political party. Moreover, letting employees leave the job without paying a salary or allowing employees to represent the company in the participation of political campaign are included in the terms of political contributions.

**Conflict of Interest :** Any action of a person holding a stakeholder position that causes a conflict of interest affect the decision or unable to perform their duties objectively, causing the Company to lose benefits or receive less benefits than it should.

**Facilitation Payment :** Expenses paid to government employees informally and is given solely to ensure that State officials will carry out the process. or as an incentive to take action faster which such process is a right that a juristic person should be legally entitled to, such as applying for a license, request for certificates, etc.

**Revolving Door :** Recruitment of government employees to work in the company or the Company's personnel to work in government policy and cause conflicts of interest for individuals who play roles in both directions

### **3. Procedures and Measures**

The Company has determined practices which relate to high risk issues that could lead to misconduct, corruption and bribery with respect to encourage the directors, executives and employees, as well as subsidiary or other companies under our supervision to operate with utmost caution.

#### **3.1 Receiving or Offering Customary Gifts, or other Benefits**

To operate the company's business that related to biddings other projects, procurement,



communicating business, or any other related company's business transaction in both public and private sectors must do with fair, transparent and verification. The company realized the importance of any act that might result in improper influence including receive or offer customary gifts or other benefits that might cause any bribery and corruption.

### **3.2 Offering Sponsorships or Charitable Contributions to Public or Private Sectors**

Offering sponsorships or charitable contributions to both public and private sectors must strictly do with transparent that did not contrary to the morality, code of conduct, and abide by laws and regulations of the company. The offering sponsorships or charitable contributions as the foresaid can be done after the approval of the original affiliation.

The offering sponsorships or charitable contributions to public or private sectors must not be used as a subterfuge or route for conflict of interest in both individual and company's benefits and must not be used as a subterfuge for bribery and corruption.

The approvals of offering sponsorships or charitable contributions to public or private sectors must strictly adhere to the regulations by writing the report attached with the offering sponsorships or charitable contributions payment for approvals and submit all related papers to the Management for considering process.

### **3.3 Political Participation**

The company is a politically neutral organization and does not support any political parties or politicians including enabling the Board of Directors, Executives and employees not to participate in any act under the name of the company.

The company realizes that it is righteous of its people according to the liberty and rights in participating the political activities; therefore the company encourages its people to exercise their political rights in compliance with laws but prohibit using employees' status or using any company's assets as a subterfuge or route for any form to political participation or political contributions in the name of the company.

To express and giving political opinion in the company's office or job site area is penalty to the company's association.

### **3.4 Prevention of Conflict of Interest**

Prevention of conflicts of interest is the duty and responsibility of all executives, staff and employees who must understand and strictly follow the practice correctly. Guideline for practice or measures are as follows:

- Manage and operate by adhering to morals and ethics as per the Company's principles of good governance and code of conduct.

- Fully dedicate oneself and time to the Company in case it is necessary to do other work to increase income or for other purposes outside working hours, such work must not violate or be contrary to the law and good morals, not affecting the work in their responsibilities, not doing business that is against the interests of the company or in a competition or have the same characteristics as the Company.
- It is not a use of the company's secrets to seek benefits both directly and indirectly

### **3.5 Facilitation Payment**

The Company does not have a policy to pay any form of facilitation payments both directly and indirectly without taking any actions and do not accept any actions related to facilitating the operations of the Company.

### **3.6 Revolving Door**

The company has no policy to employ government employees who are still in positions that may cause any conflicts of interest.

### **3.7 Whistle blowing for Business countering Bribery**

The company supports its personnel to report any misconduct or non-compliance or any form of action that might result bribery by sending their enquiries to managers or other channel that open for this matter. The company has whistle blowing and whistleblower protection policy as stated in the good governance chapter. The additional complaints channel for whistle blowing as follows;

1. Chairman of the Audit Committee or
2. Independent Directors or
3. Corporate Secretary

At STP&I Public Company Limited  
 3rd Floor, Sino-Thai Tower,  
 32/24 Sukhumvit 21 (Asoke) Road,  
 Klongtoey-Nua, Wattana, BKK 10110  
 E-mail: [contact@stpi.co.th](mailto:contact@stpi.co.th)  
 Tel: +662-260-1181

The process from receiving a complaint until the announcement of complaint resolution to the complainant shall appropriately perform under a reasonable period of time. The policy on Whistle blowing for Business countering Bribery has disclosed on Good Corporate Governance policy Section 4 Disclosure and Transparency under topic Whistle blowing for Business countering Bribery.

### **3.8 Human Resource Management**

The Company have policies and measures against fraud and corruption, covering the personnel management process including recruitment, personnel selection, promotion, training and employee performance evaluation with transparency. The Company has a policy not to demote, punish or cause negative effects on employees who reject corruption although doing so will cause the Company lose business opportunities.

### **3.9 Evaluation for risk from countering bribery**

Assigned to the internal audit department, It is responsible for assessing the risk of fraud, corruption, and giving or receiving bribes. By evaluating, analyzing, monitoring, and controlling corruption risks to an acceptable level and reporting them to the Audit Committee. Including following up on the results of the implementation of the anti-corruption policy corruption and giving or receiving bribes.

### **3.10 Countering Bribery Awareness**

The company has communicated and arranged internal training for employees and employees understand and realize the importance to strictly comply with the Anti-Fraud and Corruption Policy since the orientation of new staff and publicize through various channels such as notifying employees via email, posting announcements on the website and bulletin boards at the offices and various departments of the company, etc.

For directors and all levels of executives must be a good role model and encourage subordinates at all levels to realize the Anti-Fraud and Corruption policy continuously and make it part of the corporate culture.

In addition, the company also communicated and pushed for subsidiaries, affiliates, business partners and contract parties to acknowledge and comply with the policy and this guideline not to act or be involved in fraud and corruption.

### **3.11 Punishment**

The punishment is compliance with the company's regulations and/or related laws.

#### **4. Management Discussion and Analysis**

##### **1) The Auditor's Opinion**

The Auditor from EY Office Limited issued unqualified opinion that the financial statements of the Company and its subsidiaries for the year ended 31 December 2023 presented fairly, in all material respects, the financial position, financial performance and cash flow in accordance with Thai Financial Reporting Standards.

##### **2) Summary of Financial Statements**

The summary of Statements of financial position, Statements of comprehensive income and Cash flow statements by comparison for the audited financial statements year ended 31 December 2021 - 2023

STP&I Public Company Limited and its subsidiaries

Statements of financial position

As at 31 December 2021 - 2023

(Unit: Thousand Baht)

	<u>2021</u>	<u>%</u>	<u>2022</u>	<u>%</u>	<u>2023</u>	<u>%</u>
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	980,442.86	8.40	329,813.44	2.96	261,256.60	2.13
Trade and other receivables	483,407.50	4.14	761,018.27	6.84	833,325.61	6.81
Contract assets						
Unbilled receivables	484,909.25	4.15	584,545.52	5.25	1,034,022.17	8.45
Retention receivables	25,120.12	0.22	120,395.53	1.08	290,045.57	2.37
Short-term loans to related parties	-	-	-	-	30,000.00	0.25
Inventories	528,333.28	4.52	276,138.07	2.48	225,686.34	1.84
Advances payment to suppliers and contractors	21,502.06	0.18	24,781.27	0.22	37,755.98	0.31
Other current financial assets	2,269,931.66	19.44	1,769,310.74	15.89	674,162.30	5.51
Other current assets	175,754.29	1.50	164,907.55	1.48	76,094.77	0.61
<b>Total current assets</b>	<b>4,969,401.02</b>	<b>42.55</b>	<b>4,030,910.41</b>	<b>36.20</b>	<b>3,462,349.33</b>	<b>28.28</b>
<b>Non-current assets</b>						
Restricted bank deposits	73,876.40	0.63	62,441.98	0.56	62,597.22	0.51
Other non-current financial assets	246,074.81	2.11	461,750.99	4.15	262,923.26	2.15
Investments in joint ventures	-	-	8,814.84	0.08	1,181,717.12	9.65
Investments in associates	827,664.34	7.09	804,918.43	7.23	1,767,526.67	14.44
Long-term loans to related parties	-	-	-	-	6,360.96	0.05
Long-term loan to other company	80,000.00	0.69	-	-	-	-
Investment properties	2,497,482.80	21.39	2,698,505.63	24.24	2,749,655.07	22.46
Property, plant and equipment	2,422,458.17	20.74	2,350,061.48	21.11	2,147,732.39	17.54
Rights to produce and sell electricity from municipal waste	434,297.81	3.72	434,297.81	3.90	270,297.81	2.21
Other intangible assets	12,203.83	0.10	7,893.90	0.07	4,453.86	0.04
Deferred tax assets	36,526.53	0.31	57,598.62	0.52	63,353.43	0.52
Other non-current assets	78,139.04	0.67	215,677.94	1.94	264,950.89	2.15
<b>Total non-current assets</b>	<b>6,708,723.72</b>	<b>57.45</b>	<b>7,101,961.63</b>	<b>63.80</b>	<b>8,781,568.67</b>	<b>71.72</b>
<b>Total assets</b>	<b>11,678,124.74</b>	<b>100.00</b>	<b>11,132,872.03</b>	<b>100.00</b>	<b>12,243,918.00</b>	<b>100.00</b>

STP&I Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 December 2021 - 2023

(Unit: Thousand Baht)

	<u>2021</u>	<u>%</u>	<u>2022</u>	<u>%</u>	<u>2023</u>	<u>%</u>
<b>Liabilities and shareholders' equity</b>						
<b>Current liabilities</b>						
Short-term loans from financial institutions	100,000.00	0.86	-	-	893,000.00	7.29
Trade and other payables	491,745.28	4.21	583,052.81	5.24	986,826.02	8.06
<b>Contract liabilities</b>						
Contract liabilities - advances received from customers	145,948.30	1.25	106,138.53	0.95	40,362.75	0.33
Revenue from fabrication work received in advance	115,599.19	0.99	-	-	-	-
Current portion of advance rental income	56,135.67	0.48	55,044.80	0.49	54,398.95	0.44
Current portion of long-term loans from financial institutions	172,044.00	1.47	174,504.00	1.57	175,980.00	1.44
Current portion of lease liabilities	26,667.56	0.23	26,155.05	0.23	17,905.72	0.15
Income tax payable	196.91	-	1,532.65	0.01	5,393.77	0.04
Other current liabilities	61,017.78	0.52	61,017.65	0.56	69,853.83	0.58
<b>Total current liabilities</b>	<b>1,169,354.70</b>	<b>10.01</b>	<b>1,007,445.49</b>	<b>9.05</b>	<b>2,243,721.03</b>	<b>18.33</b>
<b>Non-current liabilities</b>						
Long-term loans from financial institutions - net of current portion	773,560.00	6.62	599,056.00	5.38	423,076.00	3.46
Lease liabilities - net of current portion	246,483.94	2.11	262,831.32	2.36	250,395.13	2.05
Provision for long-term employee benefits	68,854.26	0.59	84,272.25	0.76	151,915.77	1.24
Advance rental income	1,208,931.40	10.36	1,167,031.41	10.48	1,125,131.42	9.18
Deferred tax liabilities	201,243.09	1.72	212,562.62	1.91	180,742.07	1.48
Other long-term provision	25,257.65	0.22	25,257.65	0.23	25,257.65	0.21
Other non-current liabilities	27,937.28	0.24	25,921.41	0.23	23,478.33	0.18
<b>Total non-current liabilities</b>	<b>2,552,267.62</b>	<b>21.86</b>	<b>2,376,932.65</b>	<b>21.35</b>	<b>2,179,996.36</b>	<b>17.80</b>
<b>Total liabilities</b>	<b>3,721,622.32</b>	<b>31.87</b>	<b>3,384,378.14</b>	<b>30.40</b>	<b>4,423,717.39</b>	<b>36.13</b>

STP&I Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 December 2021 - 2023

(Unit: Thousand Baht)

	<u>2021</u>	<u>%</u>	<u>2022</u>	<u>%</u>	<u>2023</u>	<u>%</u>
<b>Shareholders' equity</b>						
Share capital						
Registered						
1,601,317,500 ordinary shares of Baht 0.25 each (2021-2022: 1,624,838,400 ordinary shares of Baht 0.25 each)	406,209.60		406,209.60		400,329.38	
Issued and fully paid up						
1,601,310,578 ordinary shares of Baht 0.25 each (2021-2022: 1,624,831,478 ordinary shares of Baht 0.25 each)	406,207.87	3.48	406,207.87	3.65	400,327.65	3.27
Premium on ordinary shares	1,356,908.66	11.62	1,356,908.66	12.19	1,356,908.66	11.08
Premium on treasury shares	96,309.69	0.82	96,309.69	0.87	-	-
Retained earnings						
Appropriated - statutory reserve	40,629.71	0.35	40,629.71	0.36	40,629.71	0.33
Appropriated - treasury shares reserve	120,754.97	1.03	120,754.97	1.08	-	-
Unappropriated	5,789,457.10	49.58	5,644,552.20	50.70	5,908,347.13	48.26
Treasury shares	(120,754.97)	(1.03)	(120,754.97)	(1.08)	-	-
Other components of shareholders' equity	25,846.81	0.22	3,765.88	0.03	(9,754.23)	(0.08)
Equity attributable to owners of the Company	7,715,359.85	66.07	7,548,374.01	67.80	7,696,458.91	62.86
Non-controlling interests of the subsidiaries	241,142.57	2.06	200,119.89	1.80	123,741.70	1.01
<b>Total shareholders' equity</b>	<b>7,956,502.42</b>	<b>68.13</b>	<b>7,748,493.90</b>	<b>69.60</b>	<b>7,820,200.61</b>	<b>63.87</b>
<b>Total liabilities and shareholders' equity</b>	<b>11,678,124.74</b>	<b>100.00</b>	<b>11,132,872.03</b>	<b>100.00</b>	<b>12,243,918.00</b>	<b>100.00</b>



STP&I Public Company Limited and its subsidiaries

Statements of comprehensive income

For the year ended 31 December 2021 - 2023

(Unit: Thousand Baht)

	<u>2021</u>	<u>%</u>	<u>2022</u>	<u>%</u>	<u>2023</u>	<u>%</u>
<b>Profit or loss:</b>						
<b>Revenues</b>						
Revenues from fabrication work	1,269,671.26	47.17	3,318,781.45	87.03	3,144,919.99	78.73
Sales and service income	770,311.55	28.62	328,780.81	8.62	617,936.75	15.47
Revenue from rental of real estates	218,707.74	8.12	108,378.32	2.84	125,139.32	3.13
Dividend income	25,531.38	0.95	29,942.55	0.79	22,087.78	0.55
Gain on sales of investment properties	136,309.62	5.06	-	-	-	-
Other income	271,438.15	10.08	27,640.25	0.72	84,494.44	2.12
<b>Total revenues</b>	<b>2,691,969.70</b>	<b>100.00</b>	<b>3,813,523.39</b>	<b>100.00</b>	<b>3,994,578.28</b>	<b>100.00</b>
<b>Expenses</b>						
Cost of fabrication work	1,191,367.33	44.26	3,144,760.99	82.46	2,728,497.05	68.31
Factory overhead expenses not allocated to cost of fabrication work	172,365.54	6.40	189,558.51	4.97	190,852.27	4.78
Cost of sales and services	464,998.34	17.27	183,841.06	4.82	423,570.63	10.60
Cost of rental of real estates	89,057.20	3.31	53,876.81	1.41	54,124.44	1.35
Selling and distribution expenses	7,062.42	0.26	7,761.76	0.20	6,719.65	0.17
Administrative expenses	331,382.48	12.31	296,056.32	7.77	227,310.03	5.69
Other expenses	8,255.26	0.31	182,001.14	4.78	236,758.14	5.93
<b>Total expenses</b>	<b>2,264,488.56</b>	<b>84.12</b>	<b>4,057,856.60</b>	<b>106.41</b>	<b>3,867,832.20</b>	<b>96.83</b>
<b>Operating profit (loss)</b>	<b>427,481.14</b>	<b>15.88</b>	<b>(244,333.21)</b>	<b>(6.41)</b>	<b>126,746.08</b>	<b>3.17</b>
Share of loss from investments in joint Ventures	-	-	(185.11)	-	(29,216.34)	(0.73)
Share of profit from investments in associates	4,363.35	0.16	28,148.20	0.74	22,724.67	0.57
Finance income	61,852.75	2.30	69,570.79	1.82	61,010.73	1.53
Finance cost	(77,577.54)	(2.88)	(38,186.73)	(1.00)	(61,631.63)	(1.54)
<b>Profit (loss) before income tax</b>	<b>416,119.71</b>	<b>15.46</b>	<b>(184,986.05)</b>	<b>(4.85)</b>	<b>119,633.50</b>	<b>3.00</b>
Income tax benefit (expenses)	(142,489.29)	(5.29)	(5,941.53)	(0.16)	4,975.59	0.12
<b>Profit (loss) for the year</b>	<b>273,630.41</b>	<b>10.17</b>	<b>(190,927.58)</b>	<b>(5.01)</b>	<b>124,609.09</b>	<b>3.12</b>

STP&I Public Company Limited and its subsidiaries

Statements of comprehensive income (continued)

For the year ended 31 December 2021 - 2023

(Unit: Thousand Baht)

	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Other comprehensive income:</b>			
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences on translation of financial statements			
in foreign currency - net of income tax	-	-	8,982.02
Share of other comprehensive income from investments			
in joint ventures - net of income tax	-	-	29,722.45
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>			
Gain (loss) on investments in equity designated at fair value through other comprehensive income - net of income tax	11,885.04	(22,080.93)	(52,224.58)
Actuarial loss - net of income tax	-	-	(49,258.87)
<b>Other comprehensive income for the year</b>	<u>11,885.04</u>	<u>(22,080.93)</u>	<u>(62,778.98)</u>
 <b>Total comprehensive income for the year</b>	 <u><u>285,515.45</u></u>	 <u><u>(213,008.52)</u></u>	 <u><u>61,830.10</u></u>
 <b>Profit (loss) attributable to:</b>			
Equity holders of the Company	320,295.14	(144,904.90)	200,987.27
Non-controlling interests of the subsidiaries	(46,664.73)	(46,022.69)	(76,378.19)
	<u>273,630.41</u>	<u>(190,927.58)</u>	<u>124,609.09</u>
 <b>Total comprehensive income attributable to:</b>			
Equity holders of the Company	332,180.18	(166,985.83)	138,208.29
Non-controlling interests of the subsidiaries	(46,664.73)	(46,022.69)	(76,378.19)
	<u>285,515.45</u>	<u>(213,008.52)</u>	<u>61,830.10</u>
 <b>Earnings per share</b>			
Basic earnings (loss) per share			
Profit (loss) attributable to equity holders of the Company	<u>0.20</u>	<u>(0.09)</u>	<u>0.13</u>

STP&I Public Company Limited and its subsidiaries

Cash flow statements

For the year ended 31 December 2021 - 2023

(Unit: Thousand Baht)

	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Cash flows from operating activities</b>			
Profit (loss) before tax	416,119.71	(184,986.05)	119,633.50
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities			
Depreciation and amortisation	253,225.59	189,085.20	181,857.21
Allowance for expected credit losses for trade receivables (reversal)	(1,824.01)	853.41	6,087.04
Reduction of inventory cost to net realisable value (reversal)	4,599.93	(16,801.99)	(3,686.39)
Reversal of allowance for impairment loss on other financial assets	-	-	(2,339.85)
Impairment loss on rights to produce and sell electricity from municipal waste	-	-	164,000.00
Share of loss from investments in joint ventures	-	185.11	29,216.34
Share of profit from investments in associates	(4,363.35)	(28,148.20)	(22,724.67)
Gain on sales of investment properties	(136,309.62)	-	-
Loss (gain) on sales and write-off of equipment	1,005.40	443.40	(9,248.86)
Impairment loss on equipment and intellectual property	4,788.94	-	-
Loss (gain) on sales of other current financial assets	(35,370.00)	22,611.96	23,702.51
Loss (gain) on changes in fair value of other financial assets	7,635.31	65,571.05	(39,927.01)
Gain on sales of other long-term investments	-	-	(516.15)
Dividend received from other financial assets	(25,531.38)	(29,942.55)	(22,087.78)
Decrease in short-term provisions	(837.29)	-	-
Decrease in provision for losses on fabrication work	(41,678.23)	-	-
Provision for long-term employee benefits	20,406.53	23,564.49	33,103.52
Unrealised loss (gain) on foreign exchange	(163,683.43)	74,997.16	11,008.72
Loss (gain) on derivatives	-	(77,484.27)	70,827.48
Interest income from loans and debentures	(42,079.53)	(52,284.69)	(35,611.92)
Interest expenses	74,360.28	36,878.91	46,127.32
Profit (loss) from operating activities before changes in operating assets and liabilities	330,464.85	24,542.93	549,421.00

STP&I Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the year ended 31 December 2021 - 2023

(Unit: Thousand Baht)

	<u>2021</u>	<u>2022</u>	<u>2023</u>
Operating assets (increase) decrease			
Trade and other receivables and contract assets	(141,536.31)	(538,130.08)	(700,488.52)
Inventories	(132,419.66)	268,997.19	54,129.97
Other current financial assets	(209,188.95)	195,725.08	1,043,631.98
Other current assets	105,388.50	(10,312.20)	(8,557.06)
Other non-current assets	(13,878.28)	(3,012.20)	(8,603.09)
Operating liabilities increase (decrease)			
Trade and other payables	177,108.35	89,425.66	34,665.80
Advances received from customers	(4,844.11)	(39,809.77)	(65,775.78)
Revenue from fabrication work received in advance	(362.49)	(115,599.19)	(645.85)
Payment of long-term employee benefits	(4,788.92)	(8,146.51)	(21,859.77)
Other current liabilities	28,938.09	(1,929.54)	5,689.17
Rental revenue received in advance	1,252,848.27	(42,990.87)	(42,508.32)
Deposit from long-term lease agreements	(34,882.08)	(246.73)	(63.29)
Other non-current liabilities	5,552.35	(1,769.14)	(2,379.79)
Cash flows from (used in) operating activities	1,358,399.59	(183,255.37)	836,656.45
Interest paid	(69,387.71)	(31,726.49)	(40,266.92)
Cash received from refund of corporate income tax	4,778.06	-	-
Cash paid for corporate income tax	(147,535.95)	(49,506.87)	(28,384.71)
Cash received from the final outcome of the dispute	-	-	67,819.31
<b>Net cash flows from (used in) operating activities</b>	<b>1,146,254.00</b>	<b>(264,488.74)</b>	<b>835,824.13</b>

STP&I Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the year ended 31 December 2021 - 2023

	(Unit: Thousand Baht)		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Cash flows from investing activities</b>			
Decrease (increase) in restricted bank deposits	777,096.16	11,434.42	(155.24)
Cash received from repayment of long-term loan to other company	-	80,000.00	-
Increase in short-term loans to joint venture	-	-	(30,000.00)
Increase in long-term loans to joint venture	-	-	(6,555.38)
Proceeds from sales of other financial assets	-	-	70,110.25
Acquisition of investments in structured note	-	(67,016.80)	-
Acquisition of investments in debentures	(96,877.36)	(110,000.00)	-
Cash received from redemption of investments in debentures	206,668.00	152,083.25	122,916.42
Acquisition of investments in subsidiaries	-	(2,397.00)	-
Acquisition of investments in joint ventures	-	(8,999.95)	(741,749.43)
Acquisition of investments in associates	(876,441.85)	(5,636.42)	(1,001,824.43)
Acquisition of investments in real estate investment trust	(40,000.00)	-	-
Proceeds from sales of equipment and intangible assets	12,017.36	10,601.94	-
Proceeds from sales of investments properties	1,000,717.92	-	-
Acquisition of investment properties	(40,800.16)	(212,697.51)	(102,724.19)
Acquisition of property, plant and equipment	(27,840.56)	(64,860.94)	(52,093.20)
Acquisition of other intangible assets	(1,561.12)	(324.17)	(476.00)
Cash received from dividends from other financial assets	25,504.56	29,969.37	22,087.78
Cash received from dividends from associate	-	56,530.53	61,940.87
Cash received from interest	26,015.34	61,230.68	35,684.81
<b>Net cash flows from (used in) investing activities</b>	<b>964,498.31</b>	<b>(70,082.60)</b>	<b>(1,609,030.92)</b>
<b>Cash flows from financing activities</b>			
Increase in short-term loans from financial institutions	4,730,000.00	-	-
Increase (decrease) in short-term loans from financial institutions	(5,518,740.00)	(100,000.00)	893,000.00
Repayment of long-term loans from financial institutions	(881,096.01)	(172,044.00)	(174,504.00)
Payment of lease liabilities	(50,045.80)	(26,647.36)	(32,407.31)
Cash received from resales of treasury shares	-	-	9,876.61
Dividend paid	(129.46)	(21.15)	-
Cash received from non-controlling interests for investment in subsidiary	-	4,700.00	-
<b>Net cash flows from (used in) financing activities</b>	<b>(1,720,011.26)</b>	<b>(294,012.50)</b>	<b>695,965.30</b>
<b>Increase in translation adjustment</b>	<b>-</b>	<b>-</b>	<b>8,982.02</b>

STP&I Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the year ended 31 December 2021 - 2023

(Unit: Thousand Baht)

	<u>2021</u>	<u>2022</u>	<u>2023</u>
Net increase (decrease) in cash and cash equivalents	390,741.05	(628,583.84)	(68,259.47)
Effect of exchange rate for cash and cash equivalents	103,022.96	(22,045.58)	(297.38)
Cash and cash equivalents at beginning of year	486,678.86	980,442.86	329,813.44
Cash and cash equivalents at end of year	980,442.86	329,813.44	261,256.60

Supplemental cash flows information

Non-cash related transactions

Increase (decrease) in accounts payable for purchases of property, plant and equipment	(12,208.17)	9,448.81	(9,519.29)
Decrease in construction payable and power plant under construction resulting from the final outcome of the dispute	-	-	(49,937.35)
Investments in joint venture which have not been paid	-	-	396,847.47
Increase in right-of-use assets due to entering into lease agreements	86,561.14	3,333.32	6,619.09
Increase in investment properties due to investment in subsidiary	-	33,782.00	-
Transfer property, plant and equipment to investment properties	319,716.81	-	-
Decrease in deposit from long-term agreements due to sales of investment properties	36,785.34	-	-

## Ratios

	<u>2021</u>	<u>2022</u>	<u>2023</u>	
<b>Liquidity Ratio</b>				
Current Ratio	4.25	4.00	1.54	(Times)
Quick Ratio	3.09	2.79	0.78	(Times)
A/R Turnover (Billed)	8.83	7.01	5.14	(Times)
Avg. Collection Period (Billed)	41	52	71	(Days)
A/R Turnover (Billed + Unbilled)	3.03	3.51	2.48	(Times)
Avg. Collection Period (Billed + Unbilled)	120	104	147	(Days)
Inventory Turnover	3.57	8.28	12.56	(Times)
Avg. Inventory Period	102	44	29	(Days)
A/P Turnover	9.44	11.92	9.65	(Times)
Avg. Payment Period	39	31	38	(Days)
Cash Cycle (Billed)	105	66	62	(Days)
Cash Cycle (Billed + Unbilled)	184	118	138	(Days)
<b>Profitability Ratio</b>				
Gross Profit Margin	22.72	9.94	17.54	(%)
Operating Profit Margin	19.12	(5.76)	3.09	(%)
Net Profit Margin	11.90	(3.80)	5.03	(%)
Return on equity (ROE)	4.24	(1.90)	2.64	(%)
<b>Efficiency Ratio</b>				
Return on assets (ROA)	2.25	(1.67)	1.07	(%)
Return on fixed assets (ROFA)	8.84	(0.04)	6.16	(%)
Total Asset Turnover	0.22	0.33	0.34	(Times)
<b>Financial Policy Ratio</b>				
Debt to equity Ratio (D/E)	0.48	0.45	0.57	(Times)
Interest Coverage Ratio	9.63	1.11	5.89	(Times)
Commitment Coverage Ratio	2.50	0.21	0.33	(Times)
Dividend Payout Ratio	N/A	N/A	N/A	(%)
<b>Information per share</b>				
Book value per share *	4.83	4.72	4.81	Baht
Earnings (loss) per share *	0.20	(0.09)	0.13	Baht
Dividend per share	N/A	N/A	N/A	Baht
<b>Growth rate</b>				
Total Assets Growth	(7.81)	(4.67)	9.98	(%)
Total Liabilities Growth	(25.52)	(9.06)	30.71	(%)
Revenues from fabrication work Growth	27.61	161.39	(5.24)	(%)
Operating expense Growth	(15.50)	18.78	(18.28)	(%)

\* weighted average number of ordinary shares in issue during the year, net of the treasury shares held by the Company.

## Management Discussion and Analysis

### 1. Operating performance

#### The Fabrication work segment

In 2023, the Company reported revenue from fabrication work at Baht 3,145 million which decreased Baht 174 million or 5% from the year 2022; mainly due to lower value of projects on hand which resulting in the lower work volume from operation. The gross profit margin equal to 13%, which improved substantially from that of the previous year, mainly because the Company was able to agree on the additional contract value with the main project employer, while some of related costs have already been recognized since previous year. However, the workload is still not at full capacity so the Company still needed to record plant overhead not allocated to the cost of fabrication work of Baht 191 million, which was around the same level with the previous year.

#### The sale and service

In 2023, the Company reported revenue from sales and services at Baht 618 million which increased Baht 289 million or 88% from the year 2022; mainly from wellhead platform dismantling services have started since the 3<sup>rd</sup> quarter of 2023, together with the higher sales of machinery. And it is expected that the dismantling service will be able to continue throughout 2024. However, this service has lower gross profit margin than the services realized last year, resulting the gross margin of sales and services segment decreased from 4% in 2022 to 31% in 2023.

The income from sales and services in 2022 and 2023 can be classified as follows.

Unit: Million Baht	2022	2023	Increase (Decrease)
sales of construction machinery and machinery-related services	238.09	329.09	91.00
Preservation fee and relocation cost during the project suspension period	46.96	-	(46.96)
Dismantling of oil rigs and storage services	14.18	262.87	248.69
Property management fee	17.04	17.68	0.64
Other sale and services	12.51	8.30	(4.21)
Total Income from sales and services	328.78	617.94	289.16



#### The rental of land, office building and warehouse segment

In 2020, the Group has 3 land and warehouses for rent consist of ST Lam Luk Ka Project, Pathum Thani Province, ST Bang Pa-in Project, Phra Nakhon Si Ayutthaya Province and ST Bang Bo Project, Samut Prakarn Province, with almost full tenants, 1 office building Summer Hub Project and 1 community mall Summer Hill Project located in Prakanong Subdistrict, Klong Toei District, Bangkok, also with almost full tenants. In June 2020, the Board of Directors has resolved to bring assets of 4 projects, namely ST Bang Pa-In, ST Bang Bo, Summer Hill and Summer Hub Project lease to KTBSTMR which has established and registered the leasehold rights successfully in November 2021. The Group considered that the sublease of Summer Hill and Summer Hub Projects are sales of assets, while ST Bang Pa-In and ST Bang Bo Projects were recognized as advance rental income in the consolidated statement of financial position which will gradually recognize rental income over 30-year lease term, resulting the rental income in 2022 and 2023 are the same amounts.

However, during the year 2022-2023, a subsidiary has 3 addition warehouses for rent at Muang Khon Kaen District and another one at Ban Phai District in Khon Kaen Province which will generate an addition income approximately 30-40 million baht per year

In overall, the occupancy rate of 2023 is at a good level, average is more than 90%. Moreover, ST Bang Bo Project does not need to guarantee income of vacant units to KTBSTMR anymore, resulting the gross profit margin increased from 50% in 2022 to 57% in 2023. In addition, the Group also has several plots of land held for development in Samut Prakarn and Khon Kaen Provinces, total area approximately 77 Rais, which is negotiating with tenants to build the warehouses and enter into the long-term rental contracts. The Group also has other plots of land held for development total area 932 Rais in Sattahip District, Chonburi Province which the Company is studying on how to use the land in the most beneficial way.

#### The power plant segment

The waste-to-energy power plant that uses municipal solid waste as fuel in Phetchaburi province was in the process of construction. However, during 2019 the subsidiary has temporarily suspended the construction due to the dispute with the design and construction contractors, resulting in the production and distribution of the electricity failing behind schedule. In 2023, the Arbitral Tribunal issued the final award and considered the dispute to be completely ended. At present, the subsidiary is in the process of recruiting experts to improve the power plant so that it can be operated as intended.

### Other incomes & expenses

During the year 2022, the economic crisis impacted on global investment markets; causing investment values in both debt and equity securities to decline drastically, and thus the Company sold some investments, resulting in a loss on sales of investments of Baht 23 million including loss on changes in fair value of investments of Baht 66 million. Fortunately, various situations have improved in 2023 but there was still concerns about the interest rate hike from the US Federal Reserve so the company sold some investments to reduce risk exposure, resulting in a loss on sales of investments of Baht 24 million, while still being able to recognize Baht 40 million profit from the changes in fair value from the remaining investments.

The Company reported a foreign exchange loss of Baht 49 million in 2023, compared to Baht 93 million loss of previous year, from an adjustment in book value of USD assets and liabilities in accordance with the financial reporting standard.

Administrative expenses in 2023 were Baht 227 million; a decrease of 23% compared to the previous year. This was mainly due to the sharp reduction of a subsidiary's arbitration litigation expenses because the witness examination process was completed and all case documents were already been submitted since the first half of the year 2022.

In 2023, the Company has considered the impairment of the right to produce and distribute electricity from municipal waste and the value of the said power plant during construction. A loss from impairment of the right to produce and distribute electricity was recognized at Baht 164 million and a reversal of income tax expenses was recorded in the amount of Baht 33 million. Both of these items caused higher net expenses in 2023 by Baht 131 million.

In 2023, the Group has recognized its share of loss from investments in joint venture in the amount of Baht 29 million. Consisting of share of profit from SinoPower Co., Ltd in the amount of Baht 7 million and share of loss from Impact Monsoon Holdings Limited (IMH) in the amount of Baht 36 million, which is a loss because the Monsoon project is under construction and has no income yet but IMH has administrative and interest expenses, causing such losses.

During 2023, the Company has expanded investments in Wind Power Plant and Solar Roof by borrowing some portion from bank. As a result, financial costs in 2023 are equal to Baht 62 million which increased 61% compared to Baht 38 million in 2022.

From the aforementioned reasons, the Company reported a net profit attributable to the shareholders of the Company of Baht 201 million for the year 2023, which improved significantly from a Net Loss of Baht 145 million of 2022.

## 2) Financial Position

### ● Asset

In 2023, the Company had total assets of Baht 12,244 million which increased 10% compare to Baht 11,133 million in 2022, summarized as follows;

- Cash and other current financial assets

At the end of 2023, the Company reported cash and other current financial assets at Baht 935 million which decreased Baht 1,164 million from 2022. This was mainly due to the Company paid for acquisition of investments in joint ventures and associates totaling Baht 1,744 million, used from short-term loans from financial institutions in the amount of Baht 893 million for acquisition of investments Baht 665 million and the remaining amount for acquisition of investment properties, plant and equipment. During 2023, there was repayment of long-term loans from financial institutions in the amount of Baht 175 million, additional investment in warehouses for rent in the amount of Baht 103 million, purchase of machinery and equipment in the amount of Baht 52 million, and the remaining was mainly used in operating activities.

- Trade Receivables, Unbilled Receivables and Retention Receivables

According to the Company's business practice, a credit terms ranging from 30 – 60 days has been provided to both domestic and overseas customers. Regarding the policy for allowance for expected credit losses, the management will determine on a case by case basis, taken into consideration track record and financial status of each customer as well as the relevant economic situation. The Company recorded the revenue by percentage of completion whilst the undue revenues were booked as unbilled receivables.

The trade receivables aging as of 31 December 2021 to 2023 are as follows;

	Unit : Million Baht		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>Trade receivables - related parties</u>			
Aged on the basis of due dates			
Not yet due	4.77	4.25	1.11
Past due			
Up to 3 months	1.66	4.19	0.96
Over 3 months	-	0.19	-

	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total trade receivables - related parties	6.43	8.63	2.07
Less: Allowance for expected credit losses	(0.04)	(0.13)	(0.01)
Total trade receivables - related parties, net	6.39	8.50	2.06
<u>Trade receivables - unrelated parties</u>			
Aged on the basis of due dates			
Not yet due	320.33	401.01	419.76
Past due			
Up to 3 months	31.20	276.21	212.12
3 - 6 months	1.47	10.75	1.38
6 - 12 months	0.09	7.48	122.10
Over 12 months	4.05	4.11	46.67
Total	357.14	699.56	802.03
Less: Allowance for expected credit losses	(4.34)	(5.10)	(11.31)
Total trade receivables - unrelated parties, net	352.80	694.46	790.72
Total trade receivables - net	359.19	702.96	792.78

Most of trade receivables are not yet due or past due not more than 3 months, which is paid in the next reporting cycle. For long outstanding receivables, there is continuous follow-up and the allowance for expected credit losses is adjusted sufficient.

At the end of 2023, the Company reported unbilled receivables at Baht 1,034 million which increased approximately Baht 449 million from year 2022, and reported retention receivables at Baht 290 million which increased Baht 170 million from 2022. This is in line with the increased work volume during the year and accordance with some contract term could submit invoice after the goods has been delivered.

#### - Inventory

At the end of 2023, the Company reported inventory at Baht 226 million which decreased Baht 50 million from 2022, due to the project that the Company was responsible for supplying main raw materials had already fabricated and delivered almost all works to customer. For the current project, the Company is responsible for procuring only some raw materials and consumables. As a result, the inventories for fabrication work decreased total Baht 28 million. While the subsidiary was able to sell the products in stock causing finished goods for sell decreased approximately Baht 22 million.

- Investments in joint venture

In May 2022, the Company and PowerVault (Thailand) Co., Ltd. invested in the proportion 60:40 established SinoPower Co., Ltd. (SP) with registered capital of Baht 60 million which is principally engaged in the renewable energy business, such as Solar Roof and Solar Farm to diversify the risks of the Company's operations and support the growth of the renewable energy market. The Company determined that it is investment in joint venture since the Company and partner have joint control in SP. At the end of 2022, it has called up 25% of its shares and reported the book value based on equity method of Baht 9 million. In this regard, SP started earning income from selling electricity in the first quarter of 2023 onwards. During 2023, it has called up additional 75% of its shares. At present, its shares have been paid in full and reported book value based on equity method at the end of 2023 of Baht 42 million.

In January 2023, a subsidiary acquired a 49% interest in the ordinary shares of Impact Monsoon Holdings Limited ("IMH"), resulting the Group has an indirect shareholding of 15.87% in Monsoon Wind Power Company Limited ("MWPLC"). The Group determined that the investment in IMH is investment in joint venture, since the subsidiary and Impact Electrons Development Holdings Pte. Ltd. have joint control over IMH. The excess of cash payment made to purchase the investment in joint venture and the value of acquired assets and liabilities as at the acquisition date is considered as rights to produce and sell electricity of MWPLC. The subsidiary will gradually pay for investment purchase and additional capital shares according to the schedule for used of funds of MWPLC. The project shall be completed and could start recognize revenue in 2025. At the end of 2023, IMH reported book value based on equity method of Baht 1,139 million.

- Investments in associate

In order for investors to be interested and confident in investing in KTBSTMR, the Company as a main sponsor, expand the investment in KTBSTMR from 5% to not more than 30%. During the initial public offering (IPO) between 19-29 October 2021, the Company and STP&L invested in KTBSTMR amounting to Baht 246 million and Baht 600 million, respectively. As a result, the Company's shareholding in KTBSTMR is totaling 28.05%, and KTBSTMR is treated as an associated company. Subsequently, in November and December 2021, the Company invested Baht 30 million and during 2022 invested Baht 5.6 million in KTBSTMR and there has been no change during 2023. As a result, as at 31 December 2023, the Group's shareholding in KTBSTMR is 29.27% with the amount based on equity method of Baht 765 million.

- Investment Property and Leasehold Rights of Land

The Group has investment properties consisting of land, buildings and warehouses for rent and land awaiting development, the total value at the end of 2022 was Baht 2,699 million. During 2023, the Group

have more investment property through the subsidiary amounting to Baht 105 million. After deduction of depreciation and disposal total Baht 54 million, net book value at the end of 2023 was presented at Baht 2,750 million.

- Property, plant and equipment

As of 31 December 2023, the Company reported property, plant and equipment amounted Baht 2,148 million which decreased Baht 202 million from 2022, mainly due to depreciation for the year around Baht 126 million, the waste-to-energy plant under construction has decreased Baht 121 million to align with the award rendered by the Arbitral Tribunal, and invested in new assets around Baht 49 million.

- Rights to produce and sale electricity

In 2019, a subsidiary temporarily suspended the construction of a waste-to-energy plant due to a dispute with the design and construction contractors, which resulted in production and distribution of electricity falling behind schedule and the need to rectify the power plant to make it fit for purpose and its intended use. The Group's management believes that the effect of the dispute will not result in any damage to the subsidiary. However, in the fourth quarter of 2023 the Company has reconsidered and recorded allowance for impairment loss on rights to produce and sell electricity from municipal of Baht 164 million to reduce the carrying amount of the assets to their recoverable amounts which based on value in use, using cash flow projection determined based on the estimated financial. As a result, the value of rights to produce and sale electricity decreased from Baht 434 million in 2022 to Baht 270 million in 2023.

- Liabilities

At the end of 2023, the Company reported total liabilities at Baht 4,424 million which increased Baht 1,039 million from Baht 3,384 million of 2022, mainly due to borrowing short-term loan from bank of Baht 893 million for investments as described above. Trade and other payables increased around Baht 403 million, mainly due to a payable for purchasing investment in IMH approximately Baht 397 million. Provision for long-term employee benefits increased around Baht 68 million, according to the latest actuary report.

- Shareholders' Equity

At the end of 2023, shareholders' equity was presented at Baht 7,696 million, increased Baht 148 million or 2% from 2022 due to net profit for the period amounted Baht 201 million, loss through other comprehensive income Baht 63 million, and decrease share capital from written of treasury shares Baht 10 million.

Equity attributable to non-controlling interests of the subsidiaries decreased from Baht 200 million in 2022 to Baht 124 million in 2023, due to recognized proportionate loss during the year totaling Baht 76 million.

- Company cash flow

In 2023, the Company reported profit before tax at Baht 120 million, which including depreciation and amortization totaling Baht 182 million, impairment loss on rights to produce and sell electricity from municipal waste Baht 164 million and other adjustments, resulting profit from operating activities before changes in operating assets and liabilities was Baht 549 million. Although the decrease in inventories, other current financial assets, increase in trade payables, and received from the final outcome of the dispute help increase in cash total Baht 1,200 million. However, the increase in trade accounts receivable and contract assets, and decrease in contract liabilities, rental revenue received in advance, and cash paid for long-term employee benefits, interest and corporate income tax, resulting in the decrease in cash total Baht 899 million. From above mainly reason, the Company reported net cash flow used from operating activities totaling Baht 836 million.

Cash flows used in investing activities amounted Baht 1,609 million, consist of acquisition of investments in joint ventures and associates Baht 1,744 million, acquisition of investment properties, plant and equipment total of Baht 155 million, short-term loans to joint venture Baht 30 million. While cash from dividend and interest total Baht 120 million and net cash received from sales of financial assets total Baht 193 million.

For cash flows from financing activities amounted Baht 696 million were mainly from short-term loans from financial institutions THB 893 million and cash received from resales of treasury shares Baht 10 million. And used in repayment of bank loan amounting to Baht 175 million and cash paid for lease liabilities Baht 32 million.

#### Current Ratio

In 2023, current ratio decreased from 4.00 times in 2022 to 1.54 times, and quick ratio decreased from 2.79 times in 2022 to 0.78 times, mainly due to a decrease in cash and investments and increase in short-term loans from bank and other payable for purchasing investment in IMH as described above.

#### Profitability Ratio

In 2023, the Company reported gross profit from operating at 17.54% which increased from 9.94% in 2022, mainly due to the Company was able to agree on the additional contract value with the main project employer, while some of related costs have already been recognized since previous year, resulting in gross profit margin improved significantly.

Although income & expenses improved as explained above, however during 2023 the Group recorded impairment of the right to produce and distribute electricity amounting to Baht 164 million, resulting a net profit margin of 5.03% in 2023 compared to a net loss margin of 3.80% for year 2022.

### **Main factors and influences that may affect operations or financial position in the future**

Nature of the Company's income depend on a success in getting new project, as a result, the Company's income can vary according to the amount of work that the Company bids for. In the future, if the Company is unable to success on bidding projects, the Company's income may not be enough to cover expenses, especially fixed costs that could not decrease per work volume such as depreciation, rental fees, etc. However, the Company is aware of the volatility of such income, the Company then focuses on producing standardized quality of product and on time delivery at a reasonable price, satisfied with customers to hire new project to the Company. Moreover, the Company has a good relationship with the main contractor (EPC / Main Contractor), including maintaining the status of the main contractor's steel structure work to ger the project when the main contractor can bid on new project.

In addition, the Company has adjusted the revenue and profit structure of the Group from the establishment of subsidiaries for other business operations that can increase the recurring income in the long term and diversification of business risks as well.



## 5. Other Reference

### 5.1 Reference

<b>Share Registrar</b>	:	Thailand Securities Depository Company Limited The Stock Exchange of Thailand Building 93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 Tel : +66 (0) 2009 9000 Fax : +66 (0) 2009 9991
<b>Auditor</b>	:	EY Office Limited 33 <sup>rd</sup> Floor, Lake Ratchada Building 193/136-137 Ratchadaphisek Road Klongtoey, Bangkok 10110 Tel : +66 (0) 2264 0777 Fax : +66 (0) 2264 0789 -90
<b>Attorneys – At – Law</b>	:	Dej-Udom & Associated Limited 9 <sup>th</sup> Floor, Charn Issara Tower 942/142-3 Rama IV Road, Bangkok 10500 Tel : +66 (0) 2233 0055 Fax : +66 (0) 2236 6681
<b>Member</b>	:	Thai Steel Constructions Association 25 <sup>th</sup> Almalink Building, 11 <sup>st</sup> FL., Soi Chidlom Phloen Chit, Lumpini Pathumwan, Bangkok 10330 Tel : +66 (0) 2254 8400 Fax : +66 (0) 2255 6651

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- Thai National Shippers' Council  
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- :
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150 Rajbophit Road, Ratchabophit Temple Sub-district,  
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## 5.2 Legal Dispute and Litigation

### 5.2.1 Dispute of the Company

- There are no legal disputes.

### 5.2.2 Dispute of the Subsidiaries

In 2016, WPGE Phetchaburi Co., Ltd. (a subsidiary) entered into contracts for the design and construction of a waste-to-energy plant with key contractors, and the construction was started in late 2016. However, due to non-compliant work, in 2019 the subsidiary seized the performance bonds of JPY 131 million and USD 0.4 million. Thereafter, the contractors filed a request for arbitration with the International Chamber of Commerce, claiming approximately Baht 158 million, JPY 352 million and USD 0.4 million, mainly for unpaid invoices and other costs. The arbitral tribunal was officially formed in November 2019. The subsidiary denied all allegations and filed counterclaims of approximately Baht 480 million, JPY 1,286 million and USD 4 million for damages resulting from the contractors' breaches. On 18 April 2023, the subsidiary received the partial award of the arbitral tribunal, which decided that both parties were jointly at fault. After offsetting each other, the contractors were ordered to pay damages plus interest to the subsidiary. However, the exact amount remains uncertain because both parties have a 30-day window from the date of the partial award received to review and notify the tribunal of any potential errors. Subsequently, on 24 July 2023, the subsidiary received a notification from the Arbitral Tribunal regarding the deliberation on opinions submitted by the parties. According to the tribunal's decision, the contractors are required to pay the subsidiary approximately Baht 62 million in net damages plus interest. However, both parties are negotiating the compensation for litigation fees. As a result, the final outcome of the dispute remains inconclusive. Subsequently, on 28 August 2023, the parties are negotiated the compensation for litigation fees, and both parties agreed to bear their own costs. They duly submitted necessary documents to the Arbitration Committee. On 15 September 2023, the subsidiary received compensation of Baht 68 million from the contractors, and the Arbitral Tribunal issued the final award on 24 October 2023. Thus, the case was final and conclusive.

In addition, in 2019, the subsidiary was sued by another civil contractor in the Civil Court of Thailand, with claims for unpaid invoices and damages of approximately Baht 180 million plus interest. The subsidiary denied all allegations and filed a counterclaim for approximately Baht 12 million plus interest for damages resulting from the contractors' breach. In October 2020, the Civil Court pronounced the judgment dismissing the contractor's case and ordered the contractor to pay for damages arising from breach of the agreement of Baht 7 million to

the subsidiary, plus interest at the rate of 7.5% per annum thereon, from 7 November 2019 until full payment is made. The contractor filed an appeal in January 2021. Subsequently, on 18 January 2022, the Court of Appeal pronounced a judgment ordering the contractor to pay damages to the subsidiary of Baht 7 million, plus interest at the rate of 7.5% per annum from 7 November 2019 until 10 April 2021, and interest at a rate of 5% per annum from 11 April 2021 until full payment is made. However, on 5 April 2022, the contractor filed an appeal against the judgment of the Court of Appeal to the Supreme Court. On 22 March 2023, the Supreme Court granted the plaintiff approval to file and accepted the plaintiff's appeal for consideration. Currently, the case is being reviewed by the Supreme Court.

The management of the Group has carried out an assessment and is of the opinion that the subsidiary is not contractually and legally liable to the counterparties as claimed. Consequently, The litigation should not result in any material damage to the subsidiary and thus it is not necessary to set aside any provision for loss in the accounts.

# Corporate Governance 02

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## 6. Corporate Governance Policy

### 6.1 Overview of the Good Corporate Governance Policy and Practices

#### 6.1.1 Policy and Practices : The Board of Directors

STP&I Public Company Limited is aware of the importance of good corporate governance and believes that good corporate governance will enhance excellence in both work and management processes. This will raise the Company's performance trustworthiness to investors and related parties and also add maximum value to shareholders. Therefore, the Company established a written corporate governance policy based on the details of the Good Corporate Governance Policy attached herewith, adhering to the principles of good corporate governance by the Principles of Good Corporate Governance for Listed Companies 2017 of the Stock Exchange of Thailand.

The Board of Directors at STP&I Public Company Limited defines the importance of corporate good governance in written in order to gain the company's sustainable growth and management efficiency. The review of sufficient internal control system has been performed annually since 2002 in order to ensure the efficient company's operations, and supervising the executives to obtain the management efficiency. The company disclosed all information required by SET in bilingual (Thai and English) via the company's website.

Board of Directors It also emphasizes the importance of performing the duties of directors correctly and completely. By specifying that there should be sub-committees that are sufficient to carry out their duties completely, which will lead the organization to continuous and stable growth Currently, there are 4 sub-committees:

1. The Board of Executive Directors
2. The Audit Committee
3. The Nomination and Remuneration Committee and
4. The Risk Management Committee

The Board of Directors also reviewed the Company's Corporate Governance Policy and Risk Management including the evaluation of Board of Directors' performance.

The Company is committed to the principles of good corporate governance and business ethics in compliance with the recommended best practices for listed company and relevant rules, regulations and guidelines of the Stock Exchange of Thailand ("SET"), the Office of the Securities and Exchange Commission ("SEC"). The Board of Directors reviewed annually that the principles of good corporate

governance and business ethics are adequate and appropriate as per the Resolution of the Board Meeting no. 1/2024 on 13<sup>th</sup> March 2024. This critical policy, disclosed on the Company's website, [www.stpi.co.th](http://www.stpi.co.th), is also communicated through our Web Intranet and Company Emails and posted on various policy boards. The Board of Directors emphasizes these policies in the executive board meeting at least once a year or when there has been a significant change, demonstrating our commitment to continuous improvement and adaptability.

In addition, the board and subcommittees review the board and audit committee charters at least once a year, and the subcommittees established in 2023 have prepared all subcommittee charters.

## **1) Board of Directors**

### **1.1) Composition of the Board of Directors**

1. According to the company's regulations, The Company's Board of Directors consists of not less than 5 people and not less than half of the total number of directors must reside in the Kingdom and must have qualifications as required by law.
2. The Board of Directors consists of at least one-third of the total number of independent directors. But there must be no less than 3 people. The independent directors must be independent from the control of the executives. Major shareholders and must not be involved or have a vested interest in the finances and management of the business. In addition, he has all the qualifications according to the criteria for qualifications of independent directors as specified in the announcement of the Capital Market Supervisory Board. and has the scope of duties and responsibilities as announced by the Stock Exchange.
3. The Board of Directors consists of qualified persons with knowledge and ability in various professional skills, experience, and expertise in specific fields. that is beneficial to the business operations of the company and the company Without limiting gender, race, religion, age or professional skills.
4. The Chairman of the Board of Directors must not be the same person as the Managing Director.
5. Each Directors should be a Director in other listed companies not exceeding 5 companies.

When any person is appointed as a director of the company The company will organize an orientation for new directors by submitting a director's manual. and various relevant information to all new company directors so that they are aware of their roles and responsibilities as company directors.

## 1.2) Qualifications of the Board of Directors

1. The Board of Directors must have qualifications and not have prohibited characteristics according to the Public Limited Companies Act B.E. 2535 (including amendments) and the Securities and Exchange Act B.E. 2535 (including amendments). ) and other related laws.
2. Be a person of honesty, integrity, and ethics in conducting business. and intends to continue operating the business and is a person with knowledge, expertise, abilities, and experience that is beneficial to business operations.
3. Able to devote sufficient time to the company in which he or she is a director and pay attention to the performance of his duties according to his responsibilities. Give importance to determining the vision, mission, and strategy of the company. By jointly expressing their opinions fully and seeking information that is beneficial to the company.
4. Directors are not allowed to engage in the same business that competes with the company and its subsidiaries.

## 1.3) Term of Office

1. The term of directorship
  - a) At every annual general shareholders meeting, one-third of the directors shall retire from office. If the number of directors to retire from office is not a multiple of three, then the number of directors closest to one-third shall retire. A director who retires by rotation shall be eligible for re-election. In addition to the retirement by rotation, the directors shall be vacated upon:
    1. Death
    2. Resignation
    3. Disqualification or being of a forbidden nature under Section 68 of the Public Limited Company Act B.E. 2535 (A.D. 1992)
    4. Removal by resolution of the shareholders' meeting in accordance with Section 76 of the Public Limited Company Act B.E. 2535 (A.D. 1992)
    5. Removal by order of the court
  - b) The Company of directors who must retire from office in the first and second years  
After registering the company, a lottery method will be used to determine who will leave. In subsequent years, the directors who have been in office the longest will be the ones who will leave the position of company director. And the company directors who leave will be able to choose to come back and take up the position again.
2. Assumption of Directorship in Other Companies by Directors  
The policy in the directorship of directors in other companies are clearly stated in order to ensure that the Directors have adequate contribution to the Company. The number



company which the Directors hold their positions are required according to the good corporate governance policy which are;

1. To ensure that directors have sufficient time to perform their duties, the board should consider the extent to which having multiple board memberships lessens the effectiveness of directors. With a good corporate governance, The Company prohibited the Directors to hold the director positions in more than five listed companies
2. And to ensure that the Company's managing director has contributed and dedicated his/her time to the Company, the Company's managing director do not allow to hold a Managing Director in any other listed Companies.

#### **1.4) The Authorities and Duties of the Board of Directors**

1. To perform their duties by utilizing their knowledge, skills, and experiences in order to benefit the company's business operation. Their duties must be in compliance with the company's objectives, regulations, the Public Limited Companies Act B.E.2535, Securities and Exchange Commission B.E.2535
2. Consider and approve the company's vision mission trends and strategy for operating business that had been proposed by the Board of Executives Directors and review it every year
3. To perform in accordance with the policy effectively and allow the management to present matters that are important to the operations of the company transactions between other connected persons are considered in accordance with the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. If necessary, the Board of Directors will require an external consultant to consult and provide professional opinions in making decisions on matters that affect the business operations of the company.
4. Approve good corporate governance policies in writing including the policies of the company and arranging self-evaluation of the implementation of the corporate governance policy and reviewing the policy at least once a year
5. To perform that the management has implemented the business strategy plan to be effective including conveying objectives and goals through strategic plans throughout the company
6. To determine remuneration for the Board of Directors and sub-committees appropriately according to the principles of good corporate governance
7. To ensure sufficiency, efficiency and effectiveness of Corporate Internal Control System and Internal Audit System and to ensure that the Company has internal auditor to follow

up and coordinate with the Audit Committee and arrange self-evaluation the sufficient of internal control system at lease once a year.

8. Independent directors of the Company will use his / her discretion independently in determining the management strategy, appointment of directors and matters affecting the interests of the stakeholders of the company including access to financial information and other business sufficiently for the performance of duties and operating policies
9. To perform the self-evaluation on performance of director and performance of the Managing Director to be in accordance with the good corporate governance guidelines, along with monitoring the evaluation results
10. Conduct performance evaluations on all sub committees annually.
11. To prepare and disclose the report on the Board of Directors' Responsibility to the company's financial statements together with the Report of the Audit Committee and the Report of Independent Auditor in the Annual Report
12. To arrange a Non-Management Meeting every year in order to discuss and share ideas on the Company issues and problems among Non-Management Directors.

#### **1.5) Authority of the Chairman of the Board**

1. Having a duty to fulfill the objectives Company regulations and the resolution of the shareholders' meeting of the company as well as legal action Public Company Limited Act BE 2535 and the law of The Securities and Exchange Act BE 2535 and other relevant laws specifically designated as the duties of the Chairman of the Board
2. Acting as Chairman of the Board of Directors Meeting And supervise the Board of Directors' meeting to be in accordance with the Company's Articles of Association, laws and relevant good corporate governance guidelines Including having sufficient time for the meeting for the management to present the matter and the director in discussing important issues
3. Acting as the chairman of the shareholders' meeting and supervising the shareholders' meeting to be in accordance with relevant laws and good corporate governance guidelines
4. Promote, develop and supervise the performance of duties of the Board of Directors with honesty comply with the Company's code of conduct and good corporate governance principles including strengthening good relations between the directors and the management
5. Ensure that the performance of the Board of Directors is effective and achieve the main objectives and goals of the company

#### 1.6) Definition and Qualification of Independent Directors

Independent Director of the Company is the feature meets the regulations of the Securities and Exchange Commission as follows.

1. Holding shares no more than 1 per cent of paid-up capital of the company, affiliated company, associated company or related company, which shall be inclusive of the shares held by related persons.
2. Being a director who does not take part in the management of the company, affiliated company, associated company, related company or majority shareholder of the company. Not being an employee, staff member or advisor who receives a regular salary from the company, affiliated company, associated company, related company or majority shareholder of the company.
3. Being a director who has no direct or indirect benefit or interest in finance and management of the company, affiliated company, associated company or majority shareholder of the company. Being a director who has no benefit or interest of the said nature during the period of 1 year before his appointment as a member of the Audit Committee except where the Board of Directors has carefully considered that such previous benefit or interest does not affect the performance of duties and the giving of independent opinions.
4. Being a director who is not a related person or close relative of any management member or majority shareholder of the company.
5. Being a director whom is not appointed as a representative of the company's directors, majority shareholders or shareholders who are related to the company's majority shareholders.
6. Independent directors can perform their duties. Comment or report on the performance of duties as assigned by the Board of Directors of the company independently without being under the influence of directors Executive Management Officer or major shareholders of the company. Including related persons or close relatives of the above persons. Be familiar with the presumptuous or for any reason can not be compelled to comment as they could be.
7. Independent directors who have the qualifications according to items 1-6 may be assigned by the board of directors to make decisions on the operations of the company, parent company, subsidiaries, associated companies, same-level subsidiaries. or legal entities that may have conflicts The decision is made in the form of a committee (Collective Decision)

## **2. The Board Committees**

### **2.1 The Board of Executive Directors**

#### **1) Composition and Qualifications of the Board of Executive Directors**

1. Appointed by the board of directors, and the number of directors shall be such as the board of directors thinks fit, and a certain number of directors may be appointed by the board of directors according to the definition announced by the board of directors. Los Angeles refers to the managers or incumbents of the first four management positions, followed by managers, whose number of employees is equivalent to that of all four management positions, and refers to management positions that include accounting or financial positions at or above the manager level or the same level.
2. The Board of Directors appoints one of the Executive Directors who is a Company Director as the Chairman of the Executive Committee.
3. The executive director shall have certain knowledge, ability, appropriate experience, be able to devote time, have sufficient opinions on his work, and have a full understanding of his qualifications, duties and responsibilities, and shall not have the nature prohibited by relevant laws.

#### **2) Authorities and Duties of the Board of Executive Directors**

1. Determine vision, mission, policies, and business strategy under the supervision of the Board of Directors including review and approve it as least every year.
2. Supervise, consider business plan, financial plan, budget, and other management manners proposed by the management in order to comply with good corporate governance.
3. Monitor, examine the operations according to policies, business strategies, resources management and other management manners of the Company and report the results to the Company's Board of Directors.
4. Consider and determine rules, regulations, management policies and any other businesses which will be bind to the Company.
5. Provide recommendation, suggestion and determine the scope of authorities and duties of Managing Director including to determine whether Managing Director or his proxy is prohibited from approving any business activities with any persons who have conflict of interests with the Company or its subsidiaries
6. Study feasibility, providing advice and suggestion for entering into tender offer or investment in new projects
7. Approve the usage of the Company's credit facilities maintained with all banks or financial institutions. To approve the opening and closure of any bank accounts or apply for credit facilities in any form with all banks or financial institutions and report the same

to the Audit Committee for acknowledgement, except for the mortgage or pledge of the Company's properties which have to be approved by the Board of Directors

8. Ensure that the company must operate under the good corporate governance in accordance with the announcement or related guidelines derived from The Securities and Exchange Commission and The Stock Exchange of Thailand. The Board of Executive Directors must support and ensure that Directors and Management team will responsible for doing as a company's Directors in compliance with good corporate governance.
9. Ensure that management regularly monitors, evaluates and reports on the Company's performance.
10. Have the power to consider and perform other affairs that the Board of Directors deems fit and that should be used as policy for business operations of the Company.
11. Conduct other activities according to the policies assigned by the Board of Directors.

## **2.2 The Audit Committee**

### **1) Composition and Qualifications of the Audit Committee**

1. The Audit Committee must be at least 3 members and shall be appointed by Shareholders or the Board of Directors. The shareholders or the Board of Directors shall appoint a member of the Audit Committee to be the chairman of the Audit Committee.
2. The Audit Committee must be independent directors, qualifications in accordance with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. In addition, at least one member must have knowledge and experience related to accounting or finance.
3. The Audit Committee may appoint an appropriate company officer to be secretary of the Audit Committee.

### **2) Authorities and Duties of the Audit Committee**

1. Have authority to invite executives or staffs to attend meetings to clarify and express opinions, or submit requested documents as necessary.
2. To consider the selection, appointment or dismissal of the Company's auditor and propose audit fees to the Board of Directors for submission to the shareholders' meeting and evaluate the performance of the auditor annually.
3. Acknowledge other non-audit works and compensation from such works to determine whether the auditor is independence in performing his duties.
4. Attend non- management and internal auditor meetings with the auditor at least once a year and in cases of finding significant unusual events or transactions, auditors shall report directly to the Audit Committee.
5. Review the Audit Committee's charter regularly and present for approval from the Board of Directors when amendments are made.

6. Conduct self-assessment at least once a year and submit the evaluation results to the Board of Directors.
7. Conduct a preliminary investigation upon receiving suspicious information from the auditor regarding fraud or violates the laws related to the performance of duties by directors and executives as stipulated in Section 89/25 of the Securities and Exchange Act B.E 2016 and report the results to auditor and the Securities and Exchange Commission office within the time frame specified by the Securities and Exchange Commission.
8. Consider the appropriateness of hiring external consultants or professional experts to give independent opinions with approval from the Company's Board of Directors. This is considered the company expense and the hiring process is carried out according to the Company's regulations.
9. Prepare the report of the Audit Committee to report the activities performed according to the duties and responsibilities assigned by the Board of Directors during the year, and disclose in the Company's annual report.
10. Review the Company's financial reports to ensure that they are presented fairly, in all material respects, in accordance with Thai Financial Reporting Standards. And disclose information adequately, including reviewing important changes in accounting standards, practices and important accounting decisions that affect the financial statements, including alternatives to the reasonableness of such decisions.
11. Review significant accounting and financial reporting issues, including complicated or unusual transactions that require discretion.
12. Consider connected transactions or conflict of interest in accordance with relevant laws and regulations of the Stock Exchange of Thailand in order to ensure that such transactions are reasonable and maximize benefit to the company.
13. Considering making a decision when management and auditors disagree on financial reports or there are limitations in performing audit work. To consider and approve the process for receiving whistleblowing from employees regarding inappropriate financial reports or other issues as well.
14. Supervise and review work procedures if it is found or suspected that there are any of the following transactions or actions. This may have a significant impact on the Company's financial position and operating results. The Audit Committee shall report to the Company's Board of Directors for improvement within the time the Audit Committee deems appropriate.
  - Transactions which may cause conflicts of interest.
  - Fraud, corruption or irregular events or material flaws has significant deficiencies in the internal control system.

- Violation of the Securities and Exchange laws, regulations of the Stock Exchange of Thailand or laws related to the Company's business.
15. Review that the management has determined that the Company's internal controls are sufficiently efficient and appropriate. And there are guidelines for communicating the importance of internal control and risk management of the Company.
  16. Consider and approve the recommendations regarding internal control, laws and compliance with changes to regulations affecting the business and its subsidiaries that the internal auditor and the auditor present, as well as reviewing to ensure that the management has made improvements and report to the Board of Directors for acknowledgement.
  17. Approve internal audit annual plan as well as personnel and resources necessary to carry out of the work. In the case of outsourcing internal audit services, must receive approval of employment and compensation from the Audit Committee.
  18. Review the audit practices of the audit department to ensure that the audit department can operate independently.
  19. Review the effectiveness of the internal audit performance to ensure that it has complied with the International Professional Practice Framework for Internal Auditing. (IPPF- International Professional Practices Framework)
  20. Review the effectiveness of the legal compliance monitoring system and monitor the results of corrective measures in case of non-compliance.
  21. Review compliance with the anti-corruption policy and report to the Board of Directors.
  22. Support the Risk Management Committee to ensure that the Company has an appropriate systematic risk management processes, consistent with the strategy and goals set by the Company, including considering all aspects of risks to stakeholders.
  23. Review and provide management with opinions and suggestions on good corporate governance processes. Complies with good corporate governance and sustainable development principles, corruption risk management system, and whistleblowing process.
  24. Review to ensure that the business ethics and code of conduct of executives and employees and the policy to preventing conflicts of interest has been prepared in writing, and all executives and employees acknowledged.
  25. Promote compliance with ethical principles, code of conduct, and policies to prevent conflicts of interest.
  26. Perform any other act as assigned by the Company's Board of Directors.

### 3) Term of Office

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

1. Death
2. Resignation
3. Disqualification or being of a forbidden nature according to the Audit Committee Charter.
4. The Board of Directors resolved to remove him from his position.

Resignation of the Audit Committee must submit a resignation letter. along with explaining the reasons for resigning to the Chairman of the Board of Directors Not less than 30 days in advance and the company must notify the Stock Exchange of Thailand. The board of directors will consider appointing other directors with complete qualifications to replace the person who resigned. The position shall be held for the remaining term of the director he or she replaces.

## 2.3 The Nomination and Remuneration Committee

### 1) Composition and Qualifications of the Nomination and Remuneration Committee

1. The Board of Directors is responsible for appointing and/or removing the Nomination and Remuneration Committee.
2. Nomination and Remuneration Committee Consisting of at least 3 directors, which must consist of more than 50 percent of the total number of independent directors of the entire Nomination and Remuneration Committee.
3. The Chairman of the Nomination and Remuneration Committee must be an independent director.
4. The Nomination and Compensation Committee shall appoint a Secretary to the Nomination and Compensation Committee.

### 2) Authorities and Duties of the Nomination and Remuneration Committee

#### Nomination of directors

1. Define policies, criteria and procedures for nominating new directors to substitute the retired directors and/or fill the vacancies and/or appointing additional directors and propose the new or additional directors to the Board of Directors for approval
2. Recruit, select and nominate qualified persons to the Board of Directors to further present to the shareholders' meeting for appointment as directors of the Company.
3. Define policies, criteria and procedures for nominating qualified persons to substitute the retired members of supporting committees and/or fill the vacancies and/or appointing



additional members of the supporting committees and/or fulfill the other Board Committees and propose to the Board of Directors for approval.

4. Nominate and propose qualified persons to the Board of Directors' meeting to consider approving them as members of the Board Committees.
5. Consider the criteria and methods for recruiting qualified persons to hold the position of Managing Director. Ready to propose approval to the Board of Directors.
6. Consider creating a training development plan regarding the duties of directors and knowledge about the business of the business for the Board of Directors on an ongoing basis.
7. Prepare a succession plan for Managing Director position.

#### **Consideration of Compensation**

1. Define policies, criteria and procedures for the compensation of the board of directors and its sub committees, including meeting allowances. Annual pension and other benefits shall be submitted to the board of directors for approval.
2. Consider guidelines, criteria, and processes for evaluating the performance of the Board of Directors and sub-committees. Both group and individual assessments (self-assessment) along with presenting the evaluation results and guidelines for improving work efficiency to the Board of Directors

And has the following responsibilities.

- Prepare the report of the Nomination and Remuneration Committee. By reporting activities performed during the year according to duties and responsibilities assigned by the Board of Directors. and disclosed in the company's annual report.
- The articles of association of the Nomination and Compensation Committee shall be reviewed annually, and any revisions shall be submitted to the board of directors for review.
- Provide clarification and answer questions regarding the selection and consideration of compensation for the Board of Directors and sub-committees at shareholder meetings.

### **3) Term of Office**

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

(1) Death

(2) Resignation

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

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

(5) Removal by order of the court

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

## **2.4 Risk Management Committee**

### **1) Composition and characteristics**

1. The Board of Directors is responsible for appointing and/or removing the Risk Management Committee.
2. Risk Management Committee Consisting of at least 3 members, which must include at least 1 director.
3. The board of directors appoints a director as the chairman of the risk management committee.
4. The Risk Management Committee appoints the Secretary to the Risk Management Committee.

### **2) Authorities and Duties of the Risk Management Committee**

1. According to the company's objectives, strategy, business direction and risk management principles and methods, formulate and review the target policies and risk management framework, submit them to the board of directors for approval, and review them at least once a year.
2. Supervise the management of important risks at the enterprise level. By considering both internal and external risk factors that affect policy. Business operations Company image Keep the risk at an acceptable level. and can be practically implemented at a reasonable cost It complies with the principles of good corporate governance.
3. Consider the risk assessment criteria to identify problems and risk management plans, covering strategic risks, operational risks, financial risks, compliance risks, network security risks, corruption risks, sustainability risks and emerging risks.
4. Monitor and evaluate the effectiveness of management to ensure that the company develops risk management measures and guidelines in various areas. Fully and appropriately consider measures to reduce the opportunities and impacts of potential risks.
5. Promote and support risk communication to executives and employees. To create understanding and instill awareness of the importance of risk management.

6. Review the Charter of the Risk Management Committee annually. If there are improvements or corrections, they will be presented to the Board of Directors for consideration.
7. Prepare a report to the Risk Management Committee. By reporting activities performed during the year according to duties and responsibilities assigned by the Board of Directors, and disclosed in the company's annual report.
8. Responsible for clarifying and answering questions related to risk management at shareholder meetings.

### **3) Term of Office**

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

### **3) The Nomination of the Board of Directors and the Executive Director**

#### **3.1 Independent Directors**

Independent Director of the Company is the feature meets the regulations of the Securities and Exchange Commission as follows.

1. Holding shares no more than 1 per cent of paid-up capital of the company, affiliated company, associated company or related company, which shall be inclusive of the shares held by related persons.
2. Being a director who does not take part in the management of the company, affiliated company, associated company, related company or majority shareholder of the company. Not being an employee, staff member or advisor who receives a regular salary from the company, affiliated company, associated company, related company or majority shareholder of the company.

3. Being a director who has no direct or indirect benefit or interest in finance and management of the company, affiliated company, associated company or majority shareholder of the company. Being a director who has no benefit or interest of the said nature during the period of 1 year before his appointment as a member of the Audit Committee except where the Board of Directors has carefully considered that such previous benefit or interest does not affect the performance of duties and the giving of independent opinions.
4. Being a director who is not a related person or close relative of any management member or majority shareholder of the company.
5. Being a director whom is not appointed as a representative of the company's directors, majority shareholders or shareholders who are related to the company's majority shareholders.

Independent directors can perform their duties. Comment or report on the performance of duties as assigned by the Board of Directors of the company independently without being under the influence of directors Executive Management Officer or major shareholders of the company. Including related persons or close relatives of the above persons. Be familiar with the presumptuous or for any reason can not be compelled to comment as they could be

In addition to the above qualifications, the criteria for the company to nominate independent directors are as follows: Independent directors must possess knowledge, understanding, and experience in accounting and finance in order to serve as members of the audit committee. In 2024, the company has 4 independent directors, accounting for 50% of the total number of directors.

### 3.2 Selection Directors and Management Executives

At the end of 2023, the Company established a Nomination and Remuneration Committee. Responsible for recruiting, selecting, and presenting appropriate persons to the Board of Directors' meeting. To present to the shareholder meeting to vote on appointment as a company director. The directors will be appointed by exercising the rights of shareholders. The rights of shareholders in selecting directors are as follows:

1. One-share one-vote basis will be applied.
2. Each shareholder has to use up his votes for director appointment.
3. The nominees whose votes are chronological order ranging from the top to the last shall be elected as a Director.

The Nomination and Remuneration Committee has established criteria for the selection process and the appointment of directors and has prepared a table of directors' knowledge and expertise

(as per the details of the table of directors' knowledge and expertise, page 152) for consideration of the qualifications of the directors suitable for the structure of the company's directors. Details of the selection of directors are reported in the topic "Report of the Nomination and Compensation Committee."

In addition, the company has given the opportunity to shareholders of the company. Propose agenda for the Annual General Meeting of Shareholders and nominate individuals to select qualified persons to serve as directors of the Company in advance for the annual general meeting 2024. The Company disclosed the criteria for the proposal of candidates for the Company's board of directors on the Company's website and determined the proposal period from December 8, 2023 to January 9, 2024. Until the expiry date of the said period, no shareholder proposed any person to be appointed as the Company's director.

#### **4) Remuneration of Board of Directors and Management Executives**

The Company has clearly determined the remuneration of directors of the Board of Directors and sub-committees in accordance with the announcement of the Securities and Exchange Commission (SEC), which the Nomination and Remuneration Committee has considered and proposed to the Board of Directors' meeting. To present to the shareholder meeting to vote on appointment as a company director. Such remuneration must be approved by the Annual General Meeting (AGM) every year.

The Nomination and Remuneration Committee has established criteria and methods for determining remuneration for company directors and sub-committees in cases where company directors are assigned additional duties and responsibilities, such as being jointly on the audit committee, etc. receiving compensation that is appropriate to the duties and responsibilities assigned to you as well. This must be considered together with Survey results of director compensation in the same type of business, company size, and company financial ability. Executive remuneration is determined to link to the Company's operating results and the results of the annual performance evaluation of each executive. Details of remuneration for directors and executive directors are reported in the topic. "Remuneration for directors and executive directors"

#### **5) The performance assessment of the Board of Directors and Board Committees**

##### **1. The performance Board assessment**

The procedure to evaluate the performance of the Board of Directors as in group has been divided into 6 major sessions as suggested by the Stock Exchange of Thailand, which are (1)

Qualifications and Structure of the Board (2) Roles and Responsibilities of the Board (3) The Board's meetings (4) The Board's fiduciary (5) The relationship between the Board and the Management (6) Self-improvement of the Board and the Management

The performance assessment procedures are as follows;

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

## **2. The performance assessment of individual directors (Self-assessment)**

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

The performance assessment procedures are as follows;

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

## **3 . Results of the performance evaluation of the Board of Directors both as a group and individually. (self-assessment)**

The evaluation results are as follows:

0 = Strongly oppose or take no action.

1 = Disagree or take minor action on this matter.

2 = Agree or take reasonable action on this matter.

3 = Agreed a lot or took good action on this matter.

4 = Strongly agree or take good action in this regard.

In 2023, the Company evaluated the performance of the Board of Directors both as a group and individually by sending a summary of the evaluation results to the Nomination and Remuneration Committee, which used the information to evaluate various matters, including recruitment and consideration of compensation.

The Company Secretary has collected and reported the results along with recommendations to the Board of Directors, which has a score of 4 on the performance evaluation, which is in the criteria of strongly agreeing or taking action on that matter excellently. Therefore, it is believed that the Company's directors have knowledge, ability, and expertise in each area, cover all issues related to the Company's business operations, and perform their duties perfectly to build confidence among investors.

#### **6) Meeting of the Board of Directors**

1. The Company requires the Board of Directors to meet on a regular basis at least once every three months to consider the financial statements, develop policies, and monitor performance of the company. The Board of Directors shall be ready to hold a meeting in case of a special circumstance.
2. The Board of Directors manages the meeting schedule annually then inform to the Board of Directors to be acknowledged except other extraordinary meetings.
3. Each meeting of the Board of Directors shall be attended by more than half of the total number of directors who are in office at the moment.
4. To cast votes on a motion, the Board of Directors' meeting shall consist of not less than two-thirds of the total number of directors of the Company.
5. Prior to the Board of Directors' meeting, Chairman of the Board and Managing Director will jointly fix the meeting agendas and allow the directors to propose any matters to be discussed at the meeting. Members of the Board of Directors shall be notified of the meeting in advance so they will be able to manage time and attend the meeting. Appropriate and sufficient meeting documents shall be sent to the directors at least 7 days prior to the meeting to enable them to make informed decisions.
6. The Board of Directors shall have access to additional data and information through the Corporate Secretary and Managing Director
7. During the Board of Directors' meeting, the Chairman of the Board shall allocate sufficient time for the meeting in order to enable the attendants to consider each agenda thoroughly.
8. Managing Director may invite top management to attend the meeting in order to give more details or explanations on related agenda and allow the directors to ask questions or request any additional information.

#### **7) New Director Orientation**

The Board of Directors requires every new director to have an orientation to enable them to be aware of and understand the Company's business, industry, procedures, and policies, as well as the roles, duties, and responsibilities of the Board of Directors. The orientation for new directors will consist of documentation, training, and a tour of various company construction sites to allow the directors to

experience the Company's actual operations. Moreover, to enhance the performance of the new director, a discussion session with the Chairman of the Board of Directors, the Managing Director, and the new director will be held to inquire them about specific information, organizational culture, and other relevant information of the Company's business operation.

#### **8) Directors, President and Top Management' Training and Development**

The Board of Directors supports and promotes consistent enhancement of the directors' knowledge and skills in relation to duties and responsibilities of the directors or new management procedures. This is to enable the directors to improve their competency and performance and appropriately use the knowledge and skills obtained to maximize management effectiveness and efficiency. It is required that at least one director shall attend the skill enhancement training or seminar each year.

The Board of Directors encourages and promotes the continuous development and education of the President and top management relevant to their roles to achieve the Company's objectives and goals.

#### **9) Succession Plan of President and Top Management**

The Nomination and Compensation Committee recognizes the crucial role of a well-prepared succession plan (Succession Plan) and has entrusted management with its development. This plan sets criteria for replacing positions (Succession Plan) at the management level and positions in the main line of work, primarily focusing on each individual's potential and readiness.

In conclusion, the criteria for executives designated as personnel to inherit a position are transparent and well-defined. They must possess the necessary qualifications and field experience and demonstrate the ability to transfer knowledge and experience through practice rotation. This includes working in related departments and attending additional training courses. The ultimate goal is to prepare them for higher positions, ensuring the smooth delivery of work and continuous administration.

The company has implemented a human resource management system with adequate allocation, control, monitoring, and evaluation for human resource management. Both in terms of the recruitment process, to obtain personnel with the required knowledge and abilities, with an appropriate and fair compensation system, defined duties and responsibilities, personnel operations, work standards, personnel development, and effective communication. To provide employees with knowledge and ability by using a performance evaluation system to consider compensation appropriate to their skills and performance.

In 2024, the management will prepare a concrete succession plan and present it to the Nomination and Compensation Committee for the Board of Directors' meeting to consider and approve.



## **10) Managing Director**

### **1. Scope and authority of the Managing Director**

The Managing Director performs the duties of managing and supervising the company's business operations, except for any actions that are determined according to the rules of law or the rules of the agency that controls the company, which require approval by board meeting or shareholder meeting resolution. The Managing Director must act by the criteria above, including delegating authority to other persons whom the Managing Director deems appropriate to act and act on his behalf, but prohibits the Managing Director or the person authorized by the Managing Director to act on his behalf from approving any action and transactions between the Managing Director and the person authorized to do so or with persons who may have conflicts of interest or may have conflicts of interest in any other manner with the company or its subsidiaries.

### **2. Recruitment of Managing Director**

In recruiting people to hold the position of Managing Director, the Nomination and Remuneration Committee considers the criteria for selecting people who are qualified to hold the position of Managing Director and proceeds with recruiting people who have all the qualifications following the Company's regulations, having knowledge, expertise, ability, skills, experience that are beneficial to the Company's operations and understand the Company's business very well that able to manage work to achieve the objectives and goals set by the Board of Directors and present them to the Board of Directors for further consideration approval.

### **3. Performance evaluation of the managing director**

Evaluate the managing director's operational efficiency at least once a year according to the evaluation guidelines set by the Stock Exchange of Thailand (performance evaluation CEO form), with the evaluation divided into Leadership, strategy setting, strategy execution, financial planning, performance, board relations, external relations, management and personnel relations, succession, product knowledge and services, personal characteristics.

The evaluation process is as follows;

1. The non-executive board of directors evaluates the managing director's performance individually at least once a year.
2. The Company Secretary summarizes and presents the results of evaluating the Managing Director's operational efficiency to the Nomination and Remuneration Committee.
3. The Nomination and Remuneration Committee presents the evaluation results and guidelines for improving operational efficiency to the Board of Directors.

In this regard, a summary of the evaluation results will be sent to the Nomination and Remuneration Committee, which will use the information to evaluate various matters and provide recommendations to the Board of Directors regarding the Managing Director's qualifications and remuneration. The Managing Director's performance evaluation results are considered personal information and cannot be disclosed.

## **11) Company Secretary**

The Board of Directors has appointed the Secretary of the Board of Directors, with authority as follows.

1. Organize Board of Directors and shareholder meetings under the Company's regulations.
2. Supervising the Company and the board of directors to act by relevant laws and regulations, resolutions of the board of directors/shareholders, and the principles of good corporate governance.
3. Support arrangements for directors/executives to receive knowledge and attend various training courses related to their duties as directors and specific committee members.
4. Organize orientation training and provide information necessary to perform duties to current and newly appointed directors.
5. Prepare and keep the following documents.
  - (a) Register of directors
  - (b) Notice of the board of directors' meeting, meeting minutes, and the Company's annual report.
  - (c) Notice of shareholder meeting and minutes of the shareholder meeting.
6. Keep reports on interests reported by directors or executives.
7. Carry out other actions as the Capital Market Supervisory Board announces.

By appointing Mrs. Atitaya Charnvirakul as Company Secretary, who has held the position since March 11, 2008, the qualifications of the person holding the position of Company Secretary appear in the profiles of the directors and executives.

## **6.1.2 Policy and guidelines regarding shareholders and stakeholders**

### **Rights of Shareholders**

The company has established a policy for corporate governance, placing the utmost importance on shareholders' rights. This ensures that every shareholder is not just a passive investor but an integral part of our operations. These rights include buying or selling shares, receiving a share of profits, attending meetings, expressing opinions, and participating in decision-making. Each share, regardless of its size, carries the right to one vote, empowering every shareholder to influence our collective decisions.

## 1. Shareholders' Meeting

- Send a meeting invitation letter specifying the date, time, place, and agenda along with related documents to shareholders in full, including a map of the meeting location, details of information on each meeting agenda, annual report, and written form. Proxy, information about independent directors, including QR Code annual report So that shareholders can choose to appoint a proxy to attend the meeting on their behalf, the meeting invitation will inform details of the documents that shareholders must present on the day of the meeting or via electronic media, including the company's regulations regarding shareholder meetings.
- Publish important and necessary news to shareholders regularly through the company's website and the Stock Exchange of Thailand's news system.
- The company informs shareholders of the rules and procedures for attending the shareholder meeting in the meeting invitation letter. Before the meeting starts, the board's chairperson informs the number/proportion of shareholders attending the meeting in person and by proxy, then explains the voting and counting methods by having a vote-counting committee consisting of company officials and a law firm count the votes for transparency, including appointing witnesses to count the votes who are selected by Voting of shareholders' votes at the meeting and displaying a summary of the votes on every agenda in the meeting room and having the company's auditor also attend the shareholder meeting.
- Provide opportunities for shareholders to participate during the meeting by allowing shareholders to ask questions about various issues or express additional opinions before voting and summarizing meeting resolutions for each agenda item. Directors and executive directors who hold specific positions on multiple matters will also explain details, answer shareholders' questions, and appropriately allocate time in shareholder meetings.
- Allow shareholders to have the option to exercise their voting rights to select directors who are proposed to be appointed individually.
- Give shareholders the right to attend the shareholder meeting after the meeting has started to have the right to vote or vote on the agenda that is under consideration and has yet to be voted on.
- The board nominates two independent directors in the meeting invitation letter to be shareholders' proxies by encouraging shareholders to use proxy forms, both Form A, Form B, and Form C, where shareholders can express their opinions in the meeting and vote.
- The meeting information published on the Company's website contains the same information the Company will send to shareholders in document form and on schedule.

- Support and encourage all groups of shareholders, including institutional shareholders, to attend shareholder meetings.
- Provide opportunities and channels for submitting questions to the company secretary before the annual general meeting of shareholders.

## **2. Chairman of the Board, Director's and Top Management's Attendance at Shareholders' Meeting**

The Chairman of the Board of Directors, all Company Directors, the Company Secretary, and senior executives should attend every shareholder meeting if they are not on a critical mission to listen to suggestions and answer questions from shareholders. 2023, the board of directors, executives, company secretaries, and the auditor had meetings.

## **3. Minutes of the Shareholders' Meeting**

The minutes of the shareholders' meeting are disclosed to shareholders in accordance with applicable laws, rules and regulations both in Thai and in English. Data are accurately and completely recorded, including methods of how to vote and count the votes, names of directors attending the meeting, questions and answers, and the resolutions on each agenda of the meeting and published through the news of the SET and the website of the company [www.stpi.co.th](http://www.stpi.co.th) both in Thai and English.

## **4. Equitable Rights of Shareholders to Dividend Payment and Repurchasing Stock**

The Company has given all shareholders an equitable right to dividends and/or other benefits and the right to repurchase stock. In this regard, the Company has established a clear dividend payment policy.

### **Equitable Treatment of Shareholders**

## **5. Notice of Shareholders' Meeting**

To treat all shareholders equally in sending the shareholder meeting invitation letter using both proxies forms A, B, and C, including instructions on the steps for appointing a proxy to facilitate shareholders who are unable to attend the meeting in person, the Board of Directors requires that the invitation to the shareholder meeting be published in Thai and English, including various information regarding the agenda for the shareholder meeting, approximately 30 days in advance of the shareholder meeting date via the Company's website. [www.stpi.co.th](http://www.stpi.co.th). Then, send the shareholder meeting invitation letter with the QR Code at least 21 days before the meeting date

to allow shareholders enough time to study the meeting information in advance. If they are foreign shareholders, deliver the meeting invitation letter and documents in English.

#### **6. Voting Right**

For equitable treatment, a shareholder shall have one vote per share.

#### **7. Agenda Proposition and Nomination of Directors and Submission of Questions for the Annual General Meeting in Advance**

Allow shareholders to propose additional meeting agendas and nominate persons to be elected as directors at the annual general meeting of shareholders before sending the meeting invitation by notifying them of the method and scheduling the expiration period for granting rights has been reported through the stock exchange news system all details of the said criteria have been disclosed via the Company's website. [www.stpi.co.th](http://www.stpi.co.th) In addition, there is an opportunity for shareholders to submit questions in advance of the date of the general meeting of shareholders to ask for information related to the meeting on each agenda or other essential details of the Company. The Company has determined the qualifications of shareholders, and there are already rights and procedures for consideration.

At the said opportunity, no shareholders proposed additional agenda items, and no shareholders nominated persons to be elected as directors at the 2024 Annual General Meeting of Shareholders.

#### **8. Inside Information Prevention and Securities Trading Policy**

The Company has established the “Inside Information Prevention and Securities Trading Policy” to ensure that the practices of directors, management and employees of the Company in relation to the use of inside information and the company securities trading are in conformity with the Securities and Exchange Act, B.E.2535 (A.D.1992) and other relevant laws in order to prevent insider trading, which is considered an unfair practice, and to improve transparency and Good Corporate Governance of the Company. “Inside Information Prevention and Securities Trading Policy” will be disclosed on the Company’s website on [www.stpi.co.th](http://www.stpi.co.th).

In 2023, the Company did not find any use of inside information or securities trading by company directors, executives, and employees.

#### **9. Policy Disclosure on Connected Transactions, Related Party Transactions, and Conflict of Interest**

The Company realizes the benefits of shareholders and fair treatment of all shareholders. To prevent conflict of interests and to achieve transparent and accountable business operations, the Company has a clear policy on disclosure of connected transactions, related party transactions and conflict of interests in order to enhance the confidence of shareholders, investors and stakeholders. The significant connected transactions, related party transactions and conflict of interests must be reviewed and approved by the Audit Committee and the Board of Directors. The Company will be in strict compliance with criteria, conditions and procedures set forth in the Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Practices of Listed Companies in Connected Transactions B.E. 2546 (A.D. 2003) or amendments thereof.

In year 2023, the Company did not find any actions that violate the conflict of interest policy.

#### **10. Report on interest of directors and Management**

The Board of Directors and The Board of Executive Directors will act as a director in accordance with the Fiduciary Duties by especially focus on making decision to both direct and indirect of the company's transaction with cautious and honesty in order to prevent any conflict of interest that might happen in the connected transaction between the company and its subsidiaries. The Board of Directors defined the best practices for avoiding any conflict of interest by providing the policy that every Directors, and Top Management from Senior Vice Managing Director Managing Director and/or upper levels including Management whose position were related to accounting and financial in Managers or division level must report any conflict of interest that had been made by themselves, spouses, and minor child to the company for the acknowledgement as accordance with The Securities and Exchange Act B.E. 2535 and other additional regulations.

In 2023, the Company had no transactions or reports of the personal interests of company directors and executives.

#### **11. Disclosure of company data and information**

The Board of Directors has a policy of disclosing information and information related to the business and operating results of the Company, both Financial Information and Non-Financial Information, in a correct, sufficient, appropriate, timely, and transparent manner for the general public, investors, and stakeholders of the Company are informed by adhering to the principles of compliance with the Public Limited Companies Act, the Securities and Exchange Act and related regulations and announcements of the Securities and Exchange Commission, the Stock Exchange of Thailand and other relevant agencies. In this regard, data and information have been disclosed through the Stock Exchange of Thailand channels, such as annual information forms and annual

reports, as well as disclosure of essential details and information through the Company's website. www.stpi.co.th and the website of the Stock Exchange of Thailand, which, in 2023, the Company disclosed information correctly according to the criteria and the specified time, correctly and completely.

## **12. Investor Relations Office**

The Company has set up the Investor Relations Office to communicate with investors, shareholders, analysts, relevant government agencies, and the general public in an appropriate and equal manner. The Investor Relations Office can be reached at

Investor Relations Office  
Miss Supattra Yangtrong  
STP&I Public Company Limited  
3rd Floor, Sino-Thai Tower, 32/24 Sukhumvit 21 (Asoke) Road,  
Klongtoey-Nua, Wattana, BKK 10110  
E-mail: ir@stpi.co.th  
Tel: +662-260-1181

## **13. Dividend Payment Policy**

The Company has a policy to pay dividends at the rate of at least 30% of the net profit, according to the specific Financial Statements of the Company, less the statutory reserve fund and other reserve fund. However, the payment of dividends shall depend on the Company's cash flow statements, provided that there are no other necessary matters and for as long as the dividend payment shall not affect the essential business operation of the Company. Nevertheless, the Company may declare a dividend payment at a lower rate than the above-specified rate by considering the business operation, financial status as well as other factors which may affect the business management of the Company in the future.

## **14. Whistleblowing and Whistleblower Protection Measures**

The company needs to have good corporate governance and give rights to all employees and all groups of stakeholders to report corruption and violations of the law or ethics By providing channels for reporting clues and complaints as follows:

1. Chairman of the Audit Committee
2. Independent Director
3. Company Secretary

At STP&I Public Company Limited  
3rd Floor, Sino-Thai Tower,  
32/24 Sukhumvit 21 (Asoke) Road,  
Klongtoey-Nua, Wattana, BKK 10110  
E-mail: [contact@stpi.co.th](mailto:contact@stpi.co.th)  
Tel: +662-260-1181

The process of complaints and whistleblowing is described in Attachment 9 , Good Corporate Governance Policy.

In 2023, our company was fortunate not to receive any reports of corruption or violations of law or ethics. We diligently collected any potential issues and presented them to the Audit Committee for their consideration and acknowledgment. We encourage all employees and stakeholders to continue this transparency trend and report any concerns.

**15. Communicate with the Board of Directors (without the acknowledgement of the company's executives)**

The company provides additional channel for stakeholders to communicate with the Board of Directors directly to the Board (without the acknowledgement of the company's executives) in order to receive any suggestions or opinions including claimants such as the operation of the Executives, the unfair practices and any other acts that against the code of conduct.

Stakeholders can submit the document that clearly specified name, address, the convenient telephone number and e-mail address (if any) to:

The Audit Committee

STP&I Public Company Limited  
3rd Floor, Sino-Thai Tower,  
32/24 Sukhumvit 21 (Asoke) Road,  
Klongtoey-Nua, Wattana, BKK 10110

The Audit Committee will consider and manage such matters by directly report to the Board of Directors (without the acknowledgement of the company's executives) case by case. The company assures that whistle blowers must not be harmed according to the whistleblowing policy.



## 16. Risk Management Policy

STP & I Public Company Limited realizes the importance of risk management, which helps determine strategies and operations per the Company's objectives. The Company has identified the risks that cover Strategic Risk, Operational Risk, Financial Risk, and the risks associated with compliance with regulatory agencies' regulations (Compliance Risk). The Company has managed risks to an acceptable level by requiring the Board of Directors, Executives, and all employees in the organization to be involved in management risk and to review policies and procedures to ensure they are appropriate. The risk management policy has been disclosed on the Company's website: [www.stpi.co.th](http://www.stpi.co.th)

### Consideration of the role of stakeholders

The Board of Directors recognizes the importance of all stakeholders to the Company and promotes a process that strengthens cooperation between the Company and all stakeholders in creating stability, financial stability, and sustainability in the business. In addition, the Board of Directors is aware of conducting business that takes into account social and environmental responsibility for sustainable development.

## 17. Human Resources Management Policy

The Company has policy to manage people fairly and completely by;

1. Suitable compensation and benefit
2. Adequate fringe benefit
3. Development on staff skill including training
4. Fairness
5. Respect to individual rights
6. Belief and trustworthiness
7. Provide consultation
8. Encourage to be a good citizen
9. Open box for staff to express their opinion and information

The company has intention to develop people in all aspect in order to increase their effectiveness and efficiency to the Company operation by;

- Manpower Planning

The Company has planned man power to fulfill the project volume by providing qualification candidate as plan and timely.

- Recruitment and Selection

The Company is deeply committed to a selection process that values knowledge, ability, and quality without discrimination based on race or gender. We recruit directly through various public relations channels, including the Internet, and actively participate in government labor markets, such as the Department of Employment, and labor markets organized by universities. Our recruitment process from leading educational institutions and vocational colleges nationwide includes academic knowledge testing and interviews. We focus on selecting personnel with knowledge, ability, vision, good attitude, teamwork skills, and creativity, aligning with each position's job description and responsibilities. In addition, the Company conducts criminal background checks for specific positions and background checks from certain applicants' previous employment backgrounds in cases where applicants are considered to join the Company.

- Fringe Benefit

- 1) Fringes benefit as per required by law including social security and workmen compensation
- 2) Additional benefits that the company deems appropriate to boost morale and promote quality of life for workers as members of the company include a provident fund, group health insurance, group accident insurance, group life insurance, annual health check, awards for workers who have worked for 5, 10, 20, 25, and 30 years, scholarships for children, worker's uniform, Hospital room for each factory.

## 18. Anti-fraud and corruption policy

The company is committed to conducting business fairly and transparently, adhering to laws, rules, and regulations related to business operations, and considering all groups of stakeholders. The company has established an anti-fraud and corruption policy as a guideline for the duties of company directors, executives, and employees, including explaining the company's guidelines to stakeholders.

### 1) Anti-fraud and corruption policy

The company recognizes the importance of anti-corruption and has established a written anti-corruption policy. Ready to explain and support company directors, executives, and employees to understand and be aware of the importance of anti-fraud and corruption.

## Related Guidelines

- **Receiving or giving gifts**

The Company has established a comprehensive policy on receiving and giving gifts, presents, or other benefits. This policy is a crucial component of our anti-fraud and corruption measures, and its implementation has been in effect since 2015. It is imperative that every member of our Company is aware of this policy and adheres to it.

In 2023, the Company notified e-mails to refrain from receiving and giving New Year's gifts to customers/partners/government agencies financial institutions people involved with the Company during the New Year festival in order to express its intention to adhere to Conducting business with transparency, fairness, honesty and performing duties with impartiality and in accordance with the principles of morality and ethics in working to achieve the Company's mission. as well as treating the Company's stakeholders fairly and equally.

- **Donations & Sponsorships**

Donations and sponsorships to various agencies must be transparent, not contrary to morality, ethics, or legality, and in accordance with the Company's policies and procedures on such matters. They must also be strictly approved by the parent organization before proceeding.

However, charitable donations and financial support to various agencies must not cause conflicts of interest between personal and Company interests. They must not be used as an excuse for fraud and corruption, and approval of charitable donations or financial support must follow strict regulations. A report and supporting documents for donations are prepared to be presented to executives for consideration and approval.

- **Political participation**

The Company operates its business in a politically neutral manner. It does not provide political assistance or political support to political parties or politicians in any form, including not encouraging company directors, executives, or employees to participate in political activities on behalf of the Company.

The Company considers personal rights and freedoms according to law to participate in political activities but must not pretend to be an employee, use company assets to support political activities, or do anything that causes misunderstanding that the Company is involved in or endorses any politics. According to company regulations, expressing political opinions in the office or around the Company's departments is considered an offense.

- **Conflict of Interest**

Preventing conflicts of interest is the duty and responsibility of all executives and employees, who must understand, adhere to, and act correctly by setting guidelines or measures;

- Manage and operate with adherence to morality and ethics by adhering to the principles of good governance and code of conduct set by the Company.
- Dedicate yourself and your time fully to the Company in cases where it is necessary to do other work to increase income or for other purposes outside of working hours. Do not violate the law or good morals, do not affect work in your duties and responsibilities, and do not conduct business contrary to the interests of the Company or in competition with or of the same nature as the Company.
- Do not use the Company's secrets to gain direct or indirect benefits.

- **Facilitation Payment**

The Company has no policy to pay any facilitation fee both directly and indirectly without taking any action and does not accept any action related to facilitating the Company's operations.

- **Revolving Door**

The Company has no policy to hire government employees who are still in a position to do work that may cause any conflicts of interest.

## **2) Complaints about finding evidence of corruption and giving or receiving bribes**

If you find an action considered fraud, corruption, and giving or receiving bribes, notify supervisors or the channels the Company has set up for filing complaints about finding evidence of fraud, corruption, and giving or receiving bribes or violating various rights. The Company has measures in place to protect the complainant, whistleblower, and information providers as specified, details of which appear following the policy regarding

whistleblowing and measures to protect whistleblowers. The Company provides channels for reporting clues and complaints as follows:

1. Chairman of the Audit Committee or
2. Independent Director or
3. Corporate Secretary

At STP&I Public Company Limited  
3rd Floor, Sino-Thai Tower,  
32/24 Sukhumvit 21 (Asoke) Road,  
Klongtoey-Nua, Wattana, BKK 10110  
E-mail: [contact@stpi.co.th](mailto:contact@stpi.co.th)  
Tel: +662-260-1181

In this regard, various clues, complaints, and suggestions will be considered and acted upon as appropriate, with a process for taking action when receiving clues or complaints. The process for reporting clues or complaints is in the Corporate Governance Policy, Section 4, Information Disclosure and Transparency, Topic: Whistleblowing Policy and Measures for Protection of Whistleblowers.

### **3) Process for complaints and whistleblowing**

1. When witnessing an event that violates or does not comply with government laws and regulations, corporate governance principles, business ethics, company policies or regulations, including actions that may indicate corruption by directors, Executives, and employees of the complaining company, can report the matter through complaints and whistleblowing channels. In the case of employees who see such events, they should ask or consult with their supervisors first if they need more clarification. If you are uncomfortable, please report the matter through complaints and whistleblowing channels.
2. When the complainant receives the complaint, consider whether the information or evidence is clear enough. If it is not clear enough, report back to the complainant if the complainant reveals his identity. However, if it is clear enough, notify the Ethics and Corporate Governance Department manager of the receipt of such complaints to register the complaint.
3. The recipient of the complaint can consider taking appropriate action or send the matter to the relevant person (complaint investigator) by considering the independence of proceeding according to the content or issues received in the complaint to investigate and find out the facts as well as following up on progress

to ensure that appropriate action is taken with complaints received with the following guidelines:

- 3.1 If the complaint is an action that violates or does not comply with human resource policies and procedures, it must be submitted to the Human Resources Manager.
- 3.2 If the complaint concerns an action that violates or does not comply with government laws and regulations, corporate governance policies and principles, business ethics, or company regulations, it must be submitted to the company secretary.
- 3.3 If the complaint is an action that may indicate corruption This means any action that shows unlawful benefits for oneself or others, such as embezzlement, corruption, fraud, etc., must be submitted to the Audit Committee.
- 3.4 In the case that the complaint under (1), (2), and (3) is complex or involves multiple agencies, it shall be submitted to the President to appoint a committee to investigate the facts (The Investigation Committee) is responsible for investigating the matter.

4. Then, the complaint investigator will report the receipt to the company secretary to register the complaint and record the information to follow up on the progress of the complaint processing.
5. As a crucial part of our operations, the complaint investigators, as per steps 1, 2, 3, and 4, are responsible for thoroughly investigating and uncovering the facts. When violations or non-compliance with company laws and regulations, or even fraud, are discovered, disciplinary action will be considered following our company regulations. If deemed illegal, this action may also be subject to legal punishment.
6. When the investigation of the complaint has been concluded, the complaint investigator, according to 1 2 3 4, must report the conclusions of the inquiry to the recipient of the complaint to inform the complainant further (in cases where the complainant discloses identity)

It is of utmost importance that the process, from the initial receipt of the complaint to the final report to the complainant, is carried out promptly and within a reasonable period. This ensures that the complainant is kept informed and our company's commitment to addressing complaints is upheld.

#### **4) Whistleblowing Procedure**

1. The person who informs the whistleblower or the person who cooperates in the investigation can choose not to reveal themselves if it is seen that the disclosure will cause unsafe or damage, But if there is a self-disclosure, the company can report the progress, clarify the facts or alleviate damage easily and faster.

2. The company will consider the information of the whistleblower, the complainant or the person who cooperate in the investigation including confidential information The disclosure is done with caution and as necessary by taking into account the safety and damage of those who report clues to the complainant or those who cooperate in the investigation source of information or related person.

3. In the case of whistleblower, the complainant or the person who cooperates in the investigation of the facts, he / she may be unsafe or may cause damage can request the company to set appropriate protection measures. The company may impose a protection clause where the person who makes a complaint or who cooperates in the investigation if it is considered to be a problem that is likely to cause damage or insecurity.

4. Those who have suffered damage will receive relief through the process that is appropriate and fair.

#### **5) Assessment of fraud and corruption risks**

The company has assigned the internal audit department to assess the risk of fraud and corruption by evaluating, analyzing, monitoring, controlling, and reporting the risk of corruption to an acceptable level. Audit Committee and Board of Directors

In 2023, the Internal Audit Department carried out a fraud and corruption risk assessment to prioritize the internal audit plan and ensure that the risk of corruption is acceptable.

#### **6) Creating awareness of anti-fraud and corruption.**

The company underscores the collective responsibility of all employees and partners to comprehend and strictly adhere to the anti-corruption policy. This commitment begins with the orientation of new employees and is reinforced through various channels, such as email notifications, website announcements, and bulletin board announcements at offices and departments.

Directors and executives, as leaders, play a pivotal role in setting the tone for adherence to the anti-fraud and corruption policy. Their exemplary behavior and encouragement of subordinates at all levels are crucial in making this policy an integral part of the organization's culture.

The company takes a proactive stance in communicating and enforcing the anti-corruption policy. This extends to subsidiaries, associated companies, trading partners, and contractors, who are all expected to be well-informed and compliant with this policy and practice guideline, thereby preventing any involvement in corruption.

#### **7) Punishment**

Punishment for wrongdoing shall be following company regulations and relevant laws.

### **19. Non-infringement of Intellectual Property**

The Board of Directors is aware of the importance of non-infringement of intellectual property and conformity with laws governing intellectual property or copyrights; therefore, a policy has been established and clearly disseminated the requirement to the management and employees to carefully consider the products, services, equipment, tools or information technology to be used for business operations of the Company to ensure that the use of such items is not an infringement of third-party intellectual property.

The company set the best practices for non-infringement of intellectual property by monitoring and preventing the downloadable pirated hardware and software.

In 2023, there were no cases of intellectual property infringement in machine tools, especially information technology systems.

### **20. Human Rights**

In the business of that company, it gives priority to human rights of personnel and those involved. Respect the rights of people as required by law, the Company should not act or take any actions in the business which are violation of human rights but treating employees equally and strictly complying with laws

In 2023, there were no human rights violations, and a child labor and modern slavery policy was established as a guideline for executives and employees. This policy has been disclosed on the company's website: [www.stpi.co.th](http://www.stpi.co.th)



## 21. Personal Data Protection Policy

The company recognizes the importance of protecting the personal information of company directors, executives, employees, customers, partners, and business-related persons. To prevent damage caused by the use of personal data for fraudulent exploitation, the company has created policies and measures to protect personal data under the Personal Data Protection Act 2019 and other related laws.

In 2023, the company places importance on the protection of personal information by providing training to employees on such matters as well as organizing the following issues:

- Relevant policy announcements include the STP&I Policy for PDPA, Privacy Notice, PDPA Policy for HR Process, and Cookie Policy.
- Announcement of establishing a working group and appointing DPO officers to manage the internal system and process various documents related to stakeholders within the company, such as preparing a consent letter to collect, use, or disclose personal information, preparation of Data Processing Agreement (DPA) and Joint Controller Agreement, etc.
- Creating and improving relevant forms to comply with the law, such as improving the company's job application, consent letter to disclose personal information, and a form requesting to exercise the rights of the owner of personal information.
- Prepare data inventory documents and record process activities (RoPA) by jointly discussing and creating shared information for all departments and starting implementation according to the guidelines.

Hold on training to provide knowledge to executives and employees in the organization by external and internal lecturers, including continuous dissemination of PDPA knowledge documents through the website, discussion meetings, and seminars on such topics.

In 2023, there were no personal data protection violations or violations of the Personal Data Protection Act 2019. The personal data protection policy has been disclosed on the company's website. [www.stpi.co.th](http://www.stpi.co.th) and details of the Personal Data Protection Policy as attached to Attachment 9

## 22. Policy on Safety, Health, and Environment

The company is aware of and considers safety, occupational health, and working environment as part of business success that cannot be separated from operations. All employees and workers of the company must be kept safe and in good health under good working conditions and in a suitable environment. Human resources are considered the most valuable resource of a company organization; therefore, it is designated as a policy on safety, occupational health, and working

environment. All employees and those working on behalf of the company should be informed and abide by the following:

1. The company is unwavering in its commitment to act strictly with occupational health, safety, and environmental laws, including other relevant international regulations and standards, ensuring safety and security at all times.
2. The company proactively manages risks in occupational health, safety, and the working environment. We strive to prevent, reduce, and eliminate risks from processing steel products and steel structures that may cause injury and illness to employees, partners, contractors, and visitors, ensuring your confidence in our operations.
3. The company is committed to promoting employees and personnel working according to measures to control environmental issues and risks effectively.
4. The company not only provides adequate and appropriate communication and resources but also remains steadfast in its commitment to developing human resources. We believe in empowering you with knowledge in occupational health, safety, and the environment, making you feel valued and invested.
5. The Company will create awareness among executives, employees, and contractors to participate in occupational health, safety, and the environment and lead to serious practice.
6. Following the policy, the Company will set objectives and goals regarding occupational health, safety, and the environment. The policy is regularly reviewed and disclosed to stakeholders and the public.
7. The Company will campaign and promote the worthwhile use of natural resources.
8. The Company will maintain and continuously improve the occupational health, safety, and environment management system standards in accordance with ISO 45001:2018 and ISO 14001:2015.

The Company has established a policy to have a safety, occupational health, and environment committee to plan work, create safety-related projects, and manage and develop project plans to achieve results efficiently. The said policy has been disclosed on the Company's website at [www.stpi.co.th](http://www.stpi.co.th). Details of safety, occupational health, and environmental policies are attached to Attachment 9

## 6.2 Business Ethics

The Board of Directors has prepared business ethics for company directors, executives, and employees as a guideline for conducting business and guidelines for carrying out their work smoothly, transparently, honestly, considerate of stakeholders, and considering the company's benefits as necessary. It also promotes good corporate governance so that the company can develop and grow sustainably.

The above business ethics have been disclosed on the company's website at [www.stpi.co.th](http://www.stpi.co.th). The Company's Web Intranet and details of business ethics are in attachment 9) The Company has enhanced knowledge and understanding of business ethics for company directors, executives, and employees through the Web Intranet, board meetings, Executive meetings, and meetings of each department regularly. It is also listed as one of the essential topics for training in the orientation of all new employees. In 2023, the company found no complaints or business ethics violations.

## 6.3 Significant changes and developments in policies, practices, and corporate governance systems over the past year.

The Board of Directors recognizes the importance of good corporate governance and annually reviews the vision, mission, strategies, policies, related work processes, and business ethics.

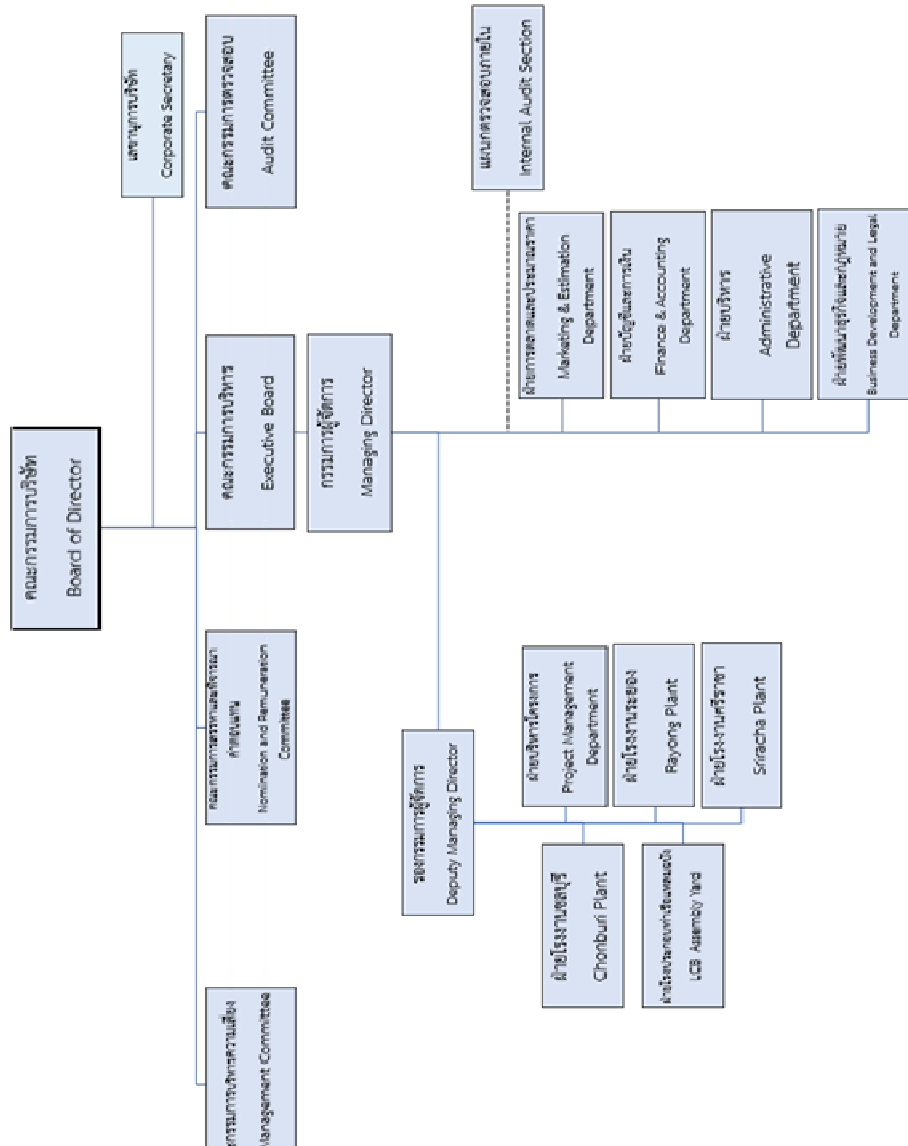
1. To prevent conflicts of interest, the company has established guidelines for company directors, executives, and employees in the policy for disclosing connected transactions related to conflicts of interest.
2. Assign the Corporate Secretary to report changes in securities holdings to the Board of Directors' meeting for acknowledgment of the policy on the use of inside information and securities trading.
3. Establish policies and guidelines for using inside information and securities trading, computer system security policies, information technology, and human rights policies.
4. To manage and support sustainability operations efficiently and effectively. The company has established a Sustainability Development Working Group (ESG) to enable management and reporting on business sustainability to achieve the specified goals. It has also created an ESG Data Platform, as the Thailand Stock Exchange requires, for executives and employees to follow the guidelines and work with awareness of social development, the environment, good corporate governance, and the economy.
5. As assigned by the Board of Directors, the Audit Committee acts as the person who considers recruiting, selecting, proposing appropriate people, and evaluating appropriate remuneration for directors organizational risk management to support the organization in achieving its business goals and realizing the importance of good corporate governance and having clear responsibilities and adequate time to do so. Performing duties in such matters, including relieving the burden of the Audit Committee, in 2023, the Board of Directors resolved to appoint 2 sub-committees,

namely the Nomination and Remuneration Committee and the Risk Management Committee, to Ease the burden of the Audit Committee and have charters of both sub-committees to serve as clear principles of practice.

6. Sustainability development in good corporate governance and the economy The company has expanded its business to have continuous income by investing in wind energy and solar roof energy businesses by opening subsidiaries to support said business expansion.

## 7. Corporate governance structure And important information about the board Sub-committees, management, employees and others

### 7.1 Corporate governance structure



## 7.2 Information of The Board of Directors

### ● Board of Directors

The Board of Directors in 2022 and 2023 has 8 members and attended the Board of Directors' meetings as follows:

Name	Position	Number of Attendances / Number of Meetings	
		2022	2023
1. Mr. Chavarat Charnvirakul	Chairman of the Board	6/6	8/8
2. Dr. Wicha Jiwalai	Independent Director	6/6	8/8
3. Police General Jate Mongkolhutthi	Independent Director	6/6	8/8
4. Miss Sirangrong Chowwiwatana	Independent Director	6/6	8/8
5. Mr. Chamni Janchai	Director	6/6	8/8
6. Mr. Masthawin Charnvirakul	Director	6/6	8/8
7. Mr. Suwat Riensiriwan	Director	6/6	8/8
8. Mr. Choavalit Limpanich	Director	6/6	8/8

### Authorized Directors

Mr. Chavarat Charnvirakul or Mr. Masthawin Charnvirakul has been authorized to sign and stamp, with the Company's seal.

### Board of Directors Charter

The Board of Directors is the driving force of the organization. Its role and duty is to set policies and business plans and monitor performance every quarter as well as corporate governance and management of the Company and its subsidiaries. It also emphasizes the internal control system and internal audit for the benefit of the Company and shareholders. The Company has separated the roles and responsibilities of the Board of Directors, Audit Committee, and Executive Committee towards shareholders to ensure independence in making decisions for the best interests of shareholders in the long term. In this regard, there was a resolution from the Board of Directors meeting No. 8/2023 to establish a charter for the Board of Directors to make all company directors aware of their duties and responsibilities to perform them correctly and completely, which has been disclosed on the Company's website: [www.stpi.co.th](http://www.stpi.co.th) and details of the committee charter as per attachment 9

### 7.3 Information about the sub-committees

#### 7.3.1 Audit Committee

Audit Committee The independent director with a total of 3 members.

First-Last Name	Title
1. Dr. Wicha Jiwalai	Chairman of the Audit Committee Independent director who is knowledgeable in engineering which is the core business of the company.
2. Police General Jate Mongkolhutthi	Member of Audit Committee Independent Director who is knowledgeable in legal..
3. Miss Sirangrong Chowwiwatana	Member of Audit Committee Independent Director who is knowledgeable in accounting and finance and rules and regulations of SET.

The Audit Committee consisted of 3 members and attended the Audit Committee Meetings held in 2022 and 2023 as follows:

First – Last Name	Title	Number of Attendances /	
		Number of Meetings	
		2022	2023
1. Dr. Wicha Jiwalai	Independent directors / Chairman of the Audit Committee	5/5	7/7
2. Police General Jate Mongkolhutthi	Independent directors / Member of the Audit Committee	5/5	7/7
3. Miss Sirangrong Chowwiwatana	Independent directors / Member of the Audit Committee	5/5	7/7

#### Charter of Audit Committee

The Audit Committee was established to support the Board of Directors in supervising and inspecting the financial reporting process, internal control system, and compliance with laws, regulations, and various codes of conduct, including promoting the Company and its subsidiaries to have good corporate governance to ensure that the Company and its subsidiaries operate efficiently, have good corporate governance, are free from conflicts of interest, and take care of stakeholders. All parties equally comply with the Securities and Exchange Act and other related laws as disclosed on the Company's website, [www.stpi.co.th](http://www.stpi.co.th) and details of the Audit Committee Charter as attached to Attachment 9.

### 7.3.2 Executive Board

The company has appointed Executive by definition regarding the Notification of the Securities and Exchange Commission executive means director, manager, or the first four executives succeeding the manager and every person holding the position equivalent to the fourth rank including person holding executive position in Accounting or Finance Department whose rank is not lower than departmental manager. The Executives Board consist of 6 persons who are responsible for ensuring the effectiveness of the company's operation according to the company's Board of Directors policy. The Executive Board are also responsible for financial managerial and screening all business matters for the Board of Directors' assignment.

Executive Board and management consists of 6 persons as follows:

Name	Position
1. Mr. Masthawin Charnvirakul	Director, Executive Director, Risk Management Committee and Managing Director
2. Mr. Choavalit Limpanich	Director, Executive Director and Deputy Management Director
3. LT.JG. Kittit Junsangsi	Executive Director, Marketing & Estimation Department Manager
4. Mrs. Atitaya Charnvirakul	Executive Director, Administrative Department Manager
5. Mrs. Anilrat Nitisaraj	Executive Director, Business Development & Legal Department Manager
6. Ms. Supattra Yangtrong	Executive Director, Finance & Accounting Department Manager

### 7.3.3 Nomination and Remuneration Committee

The Company's Board of Directors held a Board Meeting No. 8/2023 held on December 8, 2023. It was resolved to appoint a Nomination and Remuneration Committee of 3 persons, consisting of at least 3 directors, which must include more than independent directors. 50 percent of the total number of the Nomination and Remuneration CommitteeThe Chairman of the Nomination and Remuneration Committee must be an independent director. The Committee considers recruiting, selecting and nominating appropriate persons and considering proper compensation for directors.

The Nomination and Remuneration Committee has a total of 3 members and participated in the Nomination and Remuneration Committee meeting as follows:



Name	Position	Number of Attendances / Number of Meetings
		2023
1. Police General Jate Mongkolhutthi (Independent Director)	Chairman of Nomination and Remuneration Committee	1/1
2. Miss Sirangrong Chowwiwatana (Independent Director)	Member of Nomination and Remuneration Committee	1/1
3. Mr. Chamni Janchai (Director)	Member of Nomination and Remuneration Committee	1/1

#### Charter of the Nomination and Remuneration Committee

The Board of Directors is aware of the importance of Good Corporate Governance and of ensuring that the work of the Nomination and Compensation Committee is most effective for the Company. The Board has, therefore, established a charter for the Nomination and Remuneration Committee as a guideline for good practice.

Therefore, the Company's Board of Directors Meeting No. 8/2023 established a charter for the Nomination and Remuneration Committee to recognize duties and responsibilities to perform their duties correctly and completely, which was disclosed on the Company's website, [www.stpi.co.th](http://www.stpi.co.th) and details of the Nomination and Remuneration Committee Charter as per Attachment 9.

#### 7.3.4 Risk Management Committee

The Company's Board of Directors held a Board Meeting No. 8/2023 on December 8, 2023. It was resolved to appoint a Risk Management Committee of at least three members, including at least one director, to perform organizational risk management duties and support the organization in achieving its business goals.

The Risk Management Committee has a total of 3 members and participates in the Risk Management Committee meeting as follows:

Name	Position	Number of Attendances / Number of Meetings
		2023
1. Mr. Chamni Janchai (Non-executive director)	Chairman of Risk Management Committee	1/1
2. Police General Jate Mongkolhutthi (Independent Director)	Risk Management Committee	1/1
3. Mr. Masthawin Charnvirakul (Executive Director)	Risk Management Committee	1/1

#### Charter of Risk Management Committee

The Board of Directors knows the importance of good corporate governance to ensure that the Risk Management Committee's work is most effective for the Company. The Board of Directors has established the Risk Management Committee Charter as a guideline for good practice.

Therefore, the Company's Board of Directors Meeting No. 8 / 2 0 2 3 resolved to establish this Risk Management Committee Charter to recognize duties and responsibilities to perform duties wholly and correctly, which has been disclosed on the Company's website, [www.stpi.co.th](http://www.stpi.co.th), and details of the Risk Management Committee Charter as attached to Attachment 9.

#### 7.4 Information of Management

##### 7.4.1 Managing Director

Managing Director is Mr. Masthawin Charnvirakul

##### Scope and authority of the Managing Director

The Managing Director performs the duties of managing and supervising the Company's business operations, except for any actions determined according to the rules of law or the rules of the agency that controls the Company, which require approval by board meeting or shareholder meeting resolution. The Managing Director must act following the criteria above, including delegating authority to other persons whom the Managing Director deems appropriate to perform duties and act on his behalf, but prohibits the Managing Director or persons authorized by the Managing Director to act on his behalf from approving transactions any matter between the Managing Director and the person authorized to do so or with the person who may have a conflict of interest or may have a conflict of interest in any other manner with the Company or its subsidiaries.

#### 7.4.2 Executive

The Company has appointed executives according to the definition of the SEC announcement. Executive means the manager or the first four people holding management positions after the manager. Every person holding a position equivalent to the fourth executive level person includes people holding executive-level positions in the accounting or finance field who are department manager level or higher or equivalent.

The list of company executives consists of 9 people:

1. Mr. Masthawin Charnvirakul Managing Director
2. Mr. Choavalit Limpanich Deputy Managing Director
3. LT. JG. Kitt Junsangsri Marketing & Estimation Department Manager
4. Mrs. Atitaya Charnvirakul Administrative Department Manager
5. Mrs. Anilrat Nitisoroj Business Development & Legal Department Manager
6. Ms. Supattra Yangtrong Finance & Accounting Department Manager
7. Mr. Thammanoon Narind Fabrication Department Manager (Chonburi )
8. Mr. Supot Pongtong Fabrication Department Manager (Rayong Sriracha and  
Leamchabang Assembly Yard)
9. Mr. Tawan Chaisomtip Project Management Department Manager

Detail on shares holding of each Director as of December 31, 2023

No.	Directors	Position	Number of Shares December 31, 2022	Number of Shares December 31, 2023	Increase/ (Decrease) in 2023	Proportion of Total Shares
1.	Mr.Chavarat Charnvirakul	Chairman of the Board	56,906,765	56,906,765	-	3.55%
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
2.	Dr. Wicha Jiwalai	Independent Director and Chairman of the Audit Committee	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
3.	Police General Jate Mongkolhutthi	Independent Director, Chairman of Nomination and	-	-	-	-

No.	Directors	Position	Number of Shares December 31, 2022	Number of Shares December 31, 2023	Increase/ (Decrease) in 2023	Proportion of Total Shares
		Remuneration Committee, Member of Audit Committee, Member of Risk Management Committee				
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
4.	Miss Sirangrong Chowiwatana	Independent Director, Member of Audit Committee, Member of Nomination and Remuneration Committee	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
5.	Mr. Chamni Janchai *acquisition through Mrs. La-Ong Thongsuk and Ms. Panyada Ployprapath's Account as a nominee of the Director	Director, Chairman of Risk Management Committee, Member of Nomination and Remuneration Committee	21,892,433	21,892,433	-	1.36%
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
6.	Mr. Masthawin Charnvirakul	Director, Executive Director, Member of Risk Management Committee, Managing Director	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-

No.	Directors	Position	Number of Shares December 31, 2022	Number of Shares December 31, 2023	Increase/ (Decrease) in 2023	Proportion of Total Shares
7.	Mr. Suwat Riensiriwan	Director	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
8.	Mr. Choavalit Limpanich	Director, Executive Director and Deputy Managing Director	64,899,995	64,899,995	-	4.05%
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
9.	LT. JG. Kitt Junsangsri	Executive Director and Marketing & Estimation Department Manager	16,224,995	16,224,995	-	1.01%
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
10.	Mrs. Anilrat Nitisaroj	Executive Director and Business Development & Legal Department Manager	-	-	-	-
	Spouse		67,486,724	67,486,724	-	4.21%
	Minor Children		-	-	-	-
11.	Mrs. Atitaya Charnvirakul	Executive Director, Administrative Department Manager and Corporate Secretary	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
12.	Ms. Supattra Yangtrong	Executive Director and Finance & Accounting Department	2,000	2,000	-	0.00012

No.	Directors	Position	Number of Shares December 31, 2022	Number of Shares December 31, 2023	Increase/ (Decrease) in 2023	Proportion of Total Shares
		Manager				
	Spouse		-	-	-	
	Minor Children		-	-	-	
13.	Mr. Thammanoon Narind	Fabrication Department Manager (Chonburi)	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
14.	Mr. Supot Pongtong	Fabrication Department Manager (Rayong Sriracha and Assembly Yard at Laem Chabang)	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
15.	Mr. Tawan Chaisomtip	Project Management Department Manager	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-

#### 7.4.3 The Company's Compensation

The Company determines compensation for senior executives in a manner comparable to their industry type, experience, duties, and the scope of roles and responsibilities.

1. The total remuneration of 8 Board of Directors in 2023 is 8,680,000 baht, which includes meeting allowances and bonuses.
2. The total compensation of 9 executives in 2023 is 24,545,320 baht, which includes salary and bonus.

#### 7.4.4 Other compensation

1. Other remuneration for company directors: none
2. Other compensation for executives: The company has provided a provident fund for executives. In 2023, the company paid contributions to the provident fund for 9 executives for 590,037 baht.

#### 7.5 Information of Employees

- **Employees**

The company had/has total no. of employees in 2021 - 2023 totaling 2,551 persons, 4,956 persons, and 4,073 persons respectively. The details are as per below:

(Unit: persons)

Responsibilities	Total No. of Employees		
	2021	2022	2023
Operations staff	2,421	4,831	3,959
Support staff	130	125	114
Total	2,551	4,956	4,073

Total compensation of the employees of the group in the year 2021-2023 totaled 601 million baht, 1,389 million baht and 1,481 million baht respectively. The details are as follows:

(Unit: Baht )

Employee Classification	Employee compensation (Baht)		
	2021	2022	2023
Employee salary	525,913,309	1,225,009,726	1,291,549,132
Employee bonus	10,530,244	12,087,554	16,199,659
Provident Fund	2,147,590	2,079,557	2,186,349
Other compensation/benefits	62,700,296	149,976,341	170,862,698
Total	601,291,439	1,389,153,178	1,480,797,838

- **Other compensations / Fringe Benefit**

- Social Security and Workmen Compensation
- Provident Fund
- Doctor and Nurse Service

- Annual Health Check up
- Group life and health insurance including accident
- Severance pay
- **Training and development**

The Company provides a development of staff by training both thru the outside training and on the job training. The Company has concerned that the improvement of skill and ability to work efficiency in their works, will enhance the growth of the Company and increase continuously competitiveness to the Company. For Example :

1. Leadership and Project Management
2. English for communication
3. Warehouse Management
4. Quality Control Techniques for the most efficient and the highest quality
5. Safety in the work of crane and lifting equipment.

#### Employee Training in 2023

Training	No. of Employee	No. of Hours	No. of Hours / No. of Employee
Staff	4,258	48,961	11.50

#### ● **Training and development for Board members and Executive**

Board of Directors has a policy to promote and develop knowledge, skills, and to continually increase the views of directors. This will help the directors to lead the organization to achieve the company's objectives. There is an orientation of new directors to have knowledge and understanding of the roles and responsibilities, objectives, rules, regulations, policies and the nature of the company's business in order for all directors to continually develop and improve their works with applying their various knowledges to benefit the company in the future and able to perform duties effectively

In 2023, the Company's Board of Directors and executives attended seminars with various agencies on the following matters:

1. Online seminar on the topic: The importance of the audit committee and confidence in the Thai capital market.
2. TLCA CFO CPD No. 1/2023 Topic Economic Update for CFO
3. TLCA CFO CPD No. 2/2023 Topic Risk Management for CFOs
4. TLCA CFO CPD No. 4/2023 Topic "Green Assets: Opportunities for Sustainable Development"
5. TLCA Topic: Governance System for Fraud Detection



6. TLCA CFO CPD No. 6/2023 Topic: What is the future of the CFO role?
7. Online seminar on the topic: Guidelines for disclosing ESG information in One Report.
8. Online seminar topic COSO-ERM 2017 Organizational Risk Management

## 7.6 Other important information

### 7.6.1 Auditor's remuneration

The Company has considered selecting EY Office Company Limited as its auditor for 23 years, from 2001 to the present year.

#### Audit fee

In 2023, the total auditing fee was Baht 3,970,000 of which Baht 1,650,000 pertained to the Company's auditing fee, and the remaining Baht 2,320,000 was for its subsidiaries, details as table below;

(Unit : baht)

Year	2021	2022	2023
The company	1,450,000	1,550,000	1,650,000
Subsidiaries	2,440,000	2,390,000	2,320,000
Total	3,890,000	3,940,000	3,970,000

Remarks: Audit fee of subsidiaries in 2022 and 2023 included audit fee by other auditors total Baht 35,000 and Baht 45,000 respectively.

#### Non-audit fee

In years 2021-2023, the company did not pay any other service fees to EY Office Limited. However, in 2023, the company paid foreign tax consulting fees to EY Corporate Services Limited (a subsidiary of the auditing firm) has a total 1,250,000 Baht for planning investments in foreign companies.

However the subsidiaries of the Company and the Company's joint venture , Cannatory Co., Ltd., Growth Warehouse Co., Ltd., ST Clean Planet (Asia) Limited, KTBST Mixed Leasehold Real Estate Investment Trust, Impact Monsoon Holding Limited and Impact Solar Group Limited have appointed the auditors from other accounting office whereby the Board of Directors is able to supervise the preparation of their financial statements in a timely manner.

In the fiscal year 2021 - 2023, the Company has not paid any other services to EY Office Company Limited. However, in 2023, the Company paid 1,250,000 baht in foreign tax advisory fees to EY Corporate Services Company Limited ( Affiliates of the auditing firm) to support investment planning in foreign companies.

Some subsidiaries and affiliates, including Cannatory Company Limited, Growth Warehouse Company Limited, ST Clean Planet (Asia) Company Limited, KTBST Mixed Leasehold Real Estate Investment Trust, Impact Monsoon Holdings Limited, and Impact Solar Group Limited, were audited by other auditors. However, the Board of Directors is confident that the consolidated financial statements will be prepared within the specified time.

## 8. Corporate Governance Report

### 8.1 Summary of the performance of duties of the committee in the past year.

The corporate management structure consists of 3 groups of sub-committee which are:

#### 1. Board of Directors

The Board of Directors has contributed to the approval of policies and business plans and monitoring performance on a quarterly and also featured on the system of internal control and internal audit for the benefit of the Company and the Shareholders as a whole. The company has divided the roles and responsibilities of the Board of Directors Audit Committee and Executive Board to the shareholders clearly for independence in decision making.

In addition, the Board of Directors has established two subcommittees, the Nomination and Remuneration Committee, and the Risk Management Committee, to segregate roles and responsibilities.

#### Board meeting

In 2023, the Board of Directors has set meeting dates in advance throughout the year and will hold additional meetings beyond those scheduled. The Company held a total of 8 Board of Directors meetings and has reported the meeting attendance of each Company Director in the topic "Board of Directors." In 2024, the Company will also set meeting dates throughout the year and inform each committee member. In this regard, the minimum quorum has been determined. When the board votes at the meeting, there must be at least two-thirds of the total number of directors, and Report of Board of Director on the Company's Financial Statement must be prepared to be disclosed in the Company's annual report. Details of Report of Board of Director on the Company's Financial Statement are in Attachment 8.

The Board of Directors' meeting emphasized the importance of monitoring and certifying quarterly operating results that must be considered by the Audit Committee and reported by the Audit Committee for the Executive Committee to consider and take action to provide maximum benefit to the company as well as reporting essential risks in the company's operations, such as the progress of lawsuits or work problems that may cause the company to suffer operating losses, etc.

At every meeting of the Board of Directors, there is a secretary who prepares the various meeting agendas and delivers meeting documents to the Board of Directors at least 7 days before the meeting, including recording meetings by recording suggestions and opinions for each sub-committee, namely the Board of Directors, Audit Committee, Nomination and Compensation Committee, Risk Management Committee, and Executive Committee. As for the overall, the company records meeting minutes and delivers such reports to individual company directors as appropriate.

Directors' meeting minutes that the board has approved directors are systematically recorded and ready for use by the company's board of directors, and related people can inspect them.

### **Non-Management Meeting**

The Company has set up a meeting of only non-management directors in order to consider, share, and discuss on the recent activities of the Company. And also, the non-management directors shall give advises or comments issues that may effect to the performance or activities of the Company. The rules of this meeting are

- The attendee shall be non-management directors and not holding the Company's share more than 5%
- The general practice of non-management meeting shall be followed the same practice as the Board of director meeting which included inviting to the meeting and quorum. However, in some cases, there may not have the advance agendas, the purpose of the meeting is to share and give opinion on the recent activities of the Company.
- There will have at least 1 meetings per year or at the appropriate time set by the meeting chairman.

The Non-Management meeting was held once on <sup>th</sup> December 2023. The agendas were related to the performance of Management Executive, sharing ideas on company's events and concern issues in the past year of 2023.

## **2. Audit Committee**

Audit Committee as an independent director and who has the knowledge and experience that would benefit the company for accounting and finance legal and its main business is engineering. Audit Committee There are meetings at least 4 times a year. The Audit Committee performs duties within the scope of authority and responsibility as instructed by the Board of Directors. In addition, the Audit Committee has appointed an internal audit person to be responsible for the performance of the internal audit function.to check the performance to make sure that the financial controls and effective operations in accordance with the established guidelines and compliance with laws and regulations related to the company. The monitoring results will be reported directly to the Audit Committee and senior management.

The Audit Committee has the duty to consider, select and nominate an independent person to as the auditor of the company and remuneration for audit fee recruiting duties Compensation and risk management of the company Consider connected transactions or transactions that may lead to conflicts of interest. To comply with the laws and regulations of the Stock Exchange This is to ensure that such transactions are reasonable and in the best interest of the company and prepare the Audit

Committee's report and disclose it in the Company's annual report. The report must be signed by the Chairman of the Audit Committee.

The Audit Committee has also been assigned to the candidates as directors and to consider the remuneration of directors in accordance with the guidelines of the Stock Exchange of Thailand to present to the Board of Directors for approval. However, at the late of year 2023, the Board of Directors has appointed the Nomination and Remuneration Committee to perform this activity continuous from Audit Committee.

### **3. Executive Board**

The company has appointed executives according to the definition of The Securities and Exchange Commission, Thailand Executive means the manager or the first four management-level positions after the manager down. every person holding a position equivalent to the fourth executive level position and shall include persons holding managerial positions in accounting or finance who are department manager or above or equivalent. Being the Executive Management of the Company Responsible for overseeing the Company's operations to ensure efficiency in accordance with the policy, financial management and scrutinize matters to be presented to the Board for consideration. Other actions as assigned by the Board of Directors. The Executive Committee has conducted the Code of Conduct performance assessment form and has compiled and summarized the results of the assessment by the Company Secretary.

### **4. Risk Management Committee**

According to the resolution of the Board of Directors Meeting No. 8/2023, held on December 8, 2023, the Board of Directors has appointed a Risk Management Committee to perform organizational risk management duties to support the organization in achieving its operating business goals, reviewing policies, goals, and risk management frameworks across the organization to provide recommendations to the management's operations and Monitoring and reporting risks in each area relative to risk appetite covering Strategic Risk, Financial Risk, Operational Risk, Compliance Risk, Cyber Risk, Organization Risk, External Risk and Corruption Risk. regularly. In 2023, the company held 1 meeting of the Risk Management Committee and presented the matter to the Audit Committee for further consideration and acknowledgment. It has prepared a report on the Risk Management Committee and disclosed it in the company's annual report.

### **5. The Nomination and Remuneration Committee**

According to the resolution of the Board of Directors Meeting No. 8/2023, held on December 8, 2023, the Board of Directors has appointed the Nomination and Remuneration Committee to act as the person who considers recruiting, selecting, and recommending appropriate persons, considering

appropriate compensation for directors, setting policies and criteria and methods for recruiting, recruiting and nominating individuals to be directors, considering compensation, considering guidelines, criteria and processes for evaluating the performance of the Board and sub-committees, including being committed to performing duties to operate with transparency and accuracy according to the requirements outlined following the principles of good corporate governance for maximum benefit, which will result in creating added value for the company in the long term in a sustainable manner The Nomination and Remuneration Committee considers the skills and expertise of directors (Board skill matrix) as the Company Secretary sends surveys to the Board and compiles them. Summary according to the table as follows:

**Table of committee expertise**

Specialized knowledge and expertise Name	Construction Business	Energy Business	Engineering	Management	Accounting and Finance	Law	Risk and crisis management	Marketing	Society, environment and operational safety	Policy and strategy	Organizational development and innovation
1. Mr. Chavarat Charnvirakul	•	•	•	•	•	•	•	•	•	•	•
2. Dr. Wicha Jiwalai	•		•	•			•		•	•	•
3. Police General Jate Mongkolhutthi	•			•	•	•	•		•		•
4. Mr. Chamni Janchai	•	•		•	•	•	•	•	•	•	•
5. Miss Sirangrong Chowwiwatana	•	•		•	•			•	•	•	•
6. Mr. Masthawin Charnvirakul	•	•		•	•	•	•	•		•	•
7. Mr. Suwat Riensiriwan	•		•	•			•	•	•	•	•
8. Mr. Choavalit Limpanich	•	•	•	•			•	•	•	•	•

In 2023, the Company held 1 meeting of the Nomination and Remuneration Committee to present matters to the Board of Directors for further consideration and acknowledgment. It also prepared a report of the Nomination and Remuneration Committee and disclosed it in the annual report.

### 8.1.2 Meeting attendance and compensation for individual committee members

- **Remuneration for directors and executives**

The Company has set a clear and transparent policy on remuneration for directors. There is a selection and remuneration committee to consider suitability and consistency with the scope of duties and responsibilities of company directors and compare it with remuneration rates for directors in the same industry, including considering business expansion and the Company's profit growth.

Annual General Meeting of Shareholders No. 28/2023 The meeting resolved to approve the determination of remuneration for the Company's directors, Audit Committee members, Nomination and Compensation Committee members, and Risk Management Committee members for the year 2023, with details as follows.

1. Director meeting allowance

- Board of Directors

Chairman of the Board of Directors	amount 40,000 baht/meeting
Board of Directors	amount 30,000 baht/meeting
- Audit Committee

Chairman of the Audit Committee	amount 40,000 baht/meeting
Audit committee members	amount 30,000 baht/meeting
- Other sub-committees

Chairman of the sub-committee	amount 30,000 baht/meeting
Sub-committee members	amount 20,000 baht/meeting
- Other benefits

- none -

2. Annual Remuneration for the Board of Directors The Board of Directors allocates yearly remuneration to the directors as they deem appropriate based on the Company's operating results. However, meeting allowances and annual bonuses for the Board of Directors 2023 must be, at most, the limit of 9,000,000 baht.

In 2023, the Company paid compensation to directors as follows:

Name	Meeting Compensation (Baht)				Remuneration (Baht)	Total
	Board of Director (8 Meeting)	Audit committee (7 Meeting)	Nomination and Compensation Committee (1 Meeting)	Risk Management Committee (1 Meeting)		
1. Mr. Chavarat Charnvirakul	320,000		-	-	730,000	1,050,000
2. Dr.Wicha Jiwalai	240,000	280,000			730,000	1,250,000
3. Pol. Gen. Jate Mongkolhutthi	240,000	210,000	30,000	20,000	730,000	1,230,000
4. Mr. Chamni Janchai	240,000		20,000	30,000	730,000	1,020,000
5. Miss Sirangrong Chowiwatana	240,000	210,000	20,000	-	730,000	1,200,000
6. Mr. Masthawin Charnvirakul	240,000		-	20,000	730,000	990,000
7. Mr. Suwat Riensiriwan	240,000		-	-	730,000	970,000
8. Mr. Choavalit Limpanich	240,000		-	-	730,000	970,000
Total of Director Payment	2,000,000	700,000	70,000	70,000	5,840,000	8,680,000

The total compensation for executive directors and executives in 2021 - 2023 is compensation in the form of salary and bonuses, totaling 21.31 million baht, 22.26 million baht, and 24.55 million baht, respectively.

(Unit: Baht)

Remuneration	2021	2022	2023
Salary	18,141,120	18,506,880	18,889,680
Bonus	3,172,620	3,749,440	5,655,640
<b>Total Payment</b>	<b>21,313,740</b>	<b>22,256,320</b>	<b>24,545,220</b>
Provident Fund	679,147	640,536	590,037
No. of Executives(Payroll)	9 Person	9 Person	9 Person

**Remark :** The company has provided a provident fund by participate at the rate of 5% of the salary

### 8.1.3 Supervision of operations of subsidiaries and associated companies

The Board of Directors, in their crucial role, not only supervises the management but also bears the responsibility for the operations of the subsidiaries. This is a pivotal duty that they undertake to safeguard the interests of these entities.



1. Executives of the Company are sent to be directors or executives or persons with authority to sign as appropriate for that business with a shareholding of 25 percent or more and will be directors with authority to sign for Holding shares of 51 percent or more.
2. Determination of the scope of responsibility of the subsidiary's executives is following civil and commercial law, including compliance with the rules and regulations of the Stock Exchange of Thailand, including transactions between the said Company and related persons acquisition or disposal of assets and disclosure of information, which is the same criteria as the Company.
3. The Company, in its commitment to good corporate governance and business ethics, has established a policy for conducting business with its subsidiaries and associated companies. This policy mirrors the principles the parent company upholds, further reinforcing our dedication to these values.

Details regarding the directors of the subsidiary have been disclosed in Attachment 2.

#### **8.1.4 Monitoring to ensure compliance with corporate governance policies and guidelines.**

- **Preventing conflicts of interest.**

The Company, in its unwavering commitment to transparency and accountability, has a robust policy in place to disclose connected transactions, related transactions, and conflicts of interest. This policy instills confidence among our esteemed shareholders, investors, and stakeholders. Any connected transaction or significant related party transaction is thoroughly reviewed and approved by the Audit Committee and the Board of Directors. The Company adheres to the criteria, conditions, and procedures outlined in the Stock Exchange of Thailand's Board of Directors' announcement on information disclosure and practices of listed companies in connected transactions. Details of related transactions can be found in Section 9.2 of our disclosure.

In year 2023 there is no violation according to the the policy of disclosing connected transactions, related transactions, and conflicts of interest.

- **Internal Information Disclosure and Usage Policy**

The Board of Directors defines the importance of corporate good governance in written in order to gain the company's sustainable growth and management efficiency. The review of sufficient internal control system has been performed annually since 2002 in order to ensure the efficient company's operations, and supervising the executives to obtain the management efficiency. The company disclosed all information required by SET in bilingual (Thai and English) via the company's website.

Additionally, the company specified that all members of the Board of Directors and Management Executives must disclose the numbers of shares they held in accordance with the Securities & Exchange Act B.E. 2535 Section 59 within 3 days from the date of changes in no. of shares by submitting electronic to SEC and informing to corporate secretary for record individually.

In practice, the Company notifies those involved with financial statement or information, are prohibited the use of financial statement information or other information that has a known impact on the share price of the company. Disclosure inside information to outsiders or people who are not involved during the period before financial statement information or other information that affects the share price of the company/ group of companies if release the public. The company has come up with the rules to prevent the usage of internal data for personal benefits of the Board of Directors executives and employees., thus, to protect the investment of shareholders and assets of the company. In any case, the executives, or any staff / employees who are in breach of these regulations, he/she shall be punished in accordance with the rules and regulations of the company and shall receive the punishment as prescribed by the related law, in all respects. The management give an importance to the setting of the blackout period policy which is to prohibit trading in the period of 1 month before the financial statements or other information that has an effect on the share price of the Company/Group of Company will be published to the public. And it must not trade the Company's securities until the 24-hour period has elapsed and compliance with the said policy has been informed to all relevant directors and executives through meetings and the intranet system within the company

In 2023, the Company found no violations according to the "Policy on the Use of Inside Information and Securities Trading," and no changes in securities holdings were reported.

- **Anti-corruption**

The Company recognizes the importance of anti-corruption and has established a written policy explaining and supporting company directors, executives, and employees to understand and are aware of such importance, which has created a written policy for receiving/giving gifts, presents, or any other benefits, guidelines for filing complaints about the discovery of fraud, corruption, and giving or receiving bribes. There is a complaint and whistleblowing process and measures to protect whistleblowers and complainants as part of the anti-corruption and corruption policy. The Company will review the anti-fraud and corruption policy and receive/give gifts, presents, or any other benefits policy at least once a year. The Audit Committee approves and proposes to the Board of Directors for consideration and approval at Meeting No. 1/2024 on March 13, 2024.

A corruption risk assessment by the internal audit department has assessed the risk of fraud, corruption, and giving or receiving bribes, following evaluating, analyzing, monitoring, and controlling corruption risks to an acceptable level and reporting to the Audit Committee, including following up on the results of operations according to the anti-corruption policy, corruption, and giving or receiving bribes.

Receiving/giving gifts, presents, or any other benefits The company has sent an email asking for cooperation to refrain from receiving and giving New Year's gifts to customers partners government agencies financial institutions people related to the company during the New Year festival. However, according to the policy, there are specified procedures for receiving/giving gifts, presents, or any other benefits. The Company Secretary is responsible for following up and compiling a report on receiving gifts, presents, or any other benefits during all company festivals and has presented it to the Audit Committee. The measures set by the company have been carried out.

The Company has a policy to receive whistleblowing and measures to protect whistleblowers. It gives every employee and every group of stakeholders the right to report corruption and violations of the law or ethics. There is a channel for reporting clues and complaints to the Chairman of the Audit Committee, independent directors, and the company secretary. In 2023, the Company did not receive clues or complaints from such channels.

In the past year, the Company has inspected and found 3 cases within the organization, which were only minor thefts. The amount of damage is not significant. The working group has investigated following company regulations, and legal proceedings have been completed.

## 9. Internal control and related transactions

### 9.1 Internal control

#### 9.1.1 The adequacy and appropriate of the internal control system

The Board of Directors has set the internal control guidelines according to COSO international standards (Internal Control Integrated Framework) as a guideline for the Company's operations including an assessment of the internal control system using the internal control system adequacy assessment form provided by the Securities and Exchange Commission, which is consistent with the internal control guidelines according to COSO international standards in 5 aspects are as follows:

##### 1. Control Environment

The Company is committed to conducting business in an ethical manner taking into account fairness to trade partners or related parties. It has established various policies and practices such as Business Ethics Policy, Good Corporate Governance Policy, Anti-Corruption and Corruption Policy, Corporate Risk Management Policy, Whistleblowing Policy and Whistleblower Protection Measures enabling executives and employees at all levels in the organization to comply with the Company's code of conduct. The directors and senior management act as a good role model and conduct annual reviews of policies to keep them up to date and in line with the Company's operations.

##### 2. Risk assessment

The Company conducts a risk assessment and establishes a risk management approach to an acceptable level and reviews when those factors change. Risk identification is considered to cover all aspects, including: Strategic, financial, operational, and regulatory risks of the regulators.

##### 3. Control Activities

The Company has established policies and procedures that are appropriate for each work system, including policies covering the Company's main activities such as anti-corruption and anti-corruption policy. The Company has regularly reported operating results for the management to use as appropriate information in making business decisions. The management structure has been defined to divide the duties and responsibilities of each department, an approval limit has been set in writing, and there is a standardized operating system such as the ISO 9001 quality management system. This is for the management and employees at all levels to acknowledge and use as information in their operations.

In addition, the company has set up a financial internal control system with a budgeting system and monthly performance reports presented to the executives on a regular basis.

#### 4. Information and communication systems

The company requires the development and improvement of its information systems and data systems continuously to cover all work processes and to support the Company's business operations. In addition, executives and employees at all levels are emphasized to be careful in using information as specified in the information and data security policy

The company is deeply committed to the security of its data, employing modern and efficient information technology systems. Every step is carefully managed, from the collection and processing of data to its storage and use in making business decisions. Our robust information technology security policy ensures all operations are conducted safely, accurately, and in real time. We also provide appropriate communication channels, including a secure channel for reporting tips or complaints about fraud and corruption. Over the past year, there has been consistent communication between departments and with external parties, addressing any issues that may have affected internal control.

Our information and communication systems have demonstrated an acceptable level of security over the past year. The system has proven its resilience even in the face of unexpected events. It can be managed effectively to support work on time without compromising the integrity of the company's data.

#### 5. Monitoring System

In assessing the adequacy of the internal control system according to the resolution of the Board of Directors meeting No. 1/2024 on March 13, 2024, the meeting attended by 8 members of the Board of Directors, including 3 independent directors and members of the Audit Committee, by asking for information from the management. It concludes that the results of the assessment of the adequacy of internal control according to the form of the Securities and Exchange Commission show the company has an internal control system and an audit system that are sufficient and appropriate.

##### 9.1.2 The Deficiencies in the internal control system

In 2023, the Audit Committee received the audit reports presenting the issues that the internal auditor found deficiencies and report the solutions that have been discussed with the management including monitoring the results of fixing various issues but did not find any severe issues that may affect business operations.

The management pay attention on supervising operations and good internal control. As such, it was approved to carry out improvements to correct such defect in order to have the better internal control system, along with promoting the development of various tools in line with the ever-changing risk and create a protective system make all employees aware of risks and potential impacts.

##### 9.1.3 The Opinion of the Audit Committee on the Company's internal control

The Audit Committee agreed with the opinion of the Management and directors that the Company has adequate and appropriate internal control. The internal control system has been corrected and in line with the operation's activities that always changing to achieved the objectives as specified in accordance with COSO's guideline. In addition, the independent auditor reported that there were no significant deficiencies that affect the Company's financial statement and internal control.

#### 9.1.4 The Opinion of the Audit Committee on internal audit performance and Head of Internal Audit

The Company has established an internal audit department that works independently from the management at a sufficient staff level to responsible for monitoring compliance with the policies, regulations, and manuals set by the Company, reporting the results directly to the Audit Committee, and giving advice and consultation to various departments to comply with the Company's policies, regulations, and manuals. Currently, Mrs. Ramrada Khangrang is the Head of Internal Audit. She was appointed in the Audit Committee meeting No. 5/2020 on November 16, 2020, because she has experienced in business auditing with the same characteristics as the Company for 16 years. The qualifications of the person holding the position of Internal Audit Supervisor appear in Attachment 3.

#### 9.1.5 Appointment, removal, transfer of the head of internal auditor

The Audit Committee must consider and approve the appointment, removal, or transfer of the person holding the position of head of the Company's internal audit department.

### 9.2 Related Parties Transaction

#### 1. The conflict of interests with connected person

##### 1.1 Subsidiary Companies Joint venture Associated Company and Related Companies

Related company means the company that STP&I is the major shareholder or are controlled by STP&I and/or the company that has common shareholder(s)/director(s) with STP&I.

##### a) Subsidiary Companies

Company Name	Type of Business	Relationship	Paid-Up Capital (Baht)	% of Shares	Investment (Cost Price) (Baht)
STIT Co., Ltd.	Manufacture, sale and rental of construction equipment	100% owned subsidiary of STP&I Common	135,000,000	100	135,000,000

Company Name	Type of Business	Relationship	Paid-Up Capital (Baht)	% of Shares	Investment (Cost Price) (Baht)
		Directors			
STIT 2011 Co., Ltd.	Sales and rental of construction equipment	100% owned subsidiary of STIT	66,033,000	100	23,060,000
STP&I Services Co., Ltd.*	Construction services	100% owned subsidiary of STP&I Common Directors	410,000,000	100	21,761,200
WPGE Phetchaburi Co., Ltd.*	Production and distribution of electricity generated from waste and municipal solid waste management	60% owned subsidiary of STPS Common Directors	700,000,000	60	840,000,000
ST Property & Logistics Co., Ltd.**	Property Development and Logistics service	100% owned subsidiary of STP&I	440,000,000	100	440,000,000
Fill Up Network Co., Ltd.***	Community automated gas station	100% owned subsidiary of STP&I Common Directors	500,000,000	100	422,450,000
ST Hill Co., Ltd.****	Property development	100% owned subsidiary of STP&L	30,000,000	100	404,099,047
ST Hub Co., Ltd.****	Property development	100% owned subsidiary of STP&L	30,000,000	100	116,922,221
Cannatory Co., Ltd.	Hemp Products	100% owned subsidiary of STP&I Common Directors	5,000,000	100	5,000,000

Company Name	Type of Business	Relationship	Paid-Up Capital (Baht)	% of Shares	Investment (Cost Price) (Baht)
Growth Warehouse Co., Ltd.*****	Property Development and Logistics service	90% owned subsidiary of STP&L	50,000,000	90	45,000,000
ST Clean Planet (Asia) Limited	Holding Company	100% owned subsidiary of STP&I Common Directors	100 Hong Kong dollar	100	100 Hong Kong dollar
ST Evolution Pte. Ltd.	Holding Company	100% owned subsidiary of STP&I Common Directors	1,000 Singapore dollar	100	1,000 Singapore dollar
ST Clean Planet Co., Ltd.	Holding Company	100% owned subsidiary of STP&I Common Directors	1,000,000	100	1,000,000

\* On November 5, 2016, STPS acquired 42,000,000 ordinary shares of WPGE Phetchaburi Co., Ltd. from the existing shareholders, for a total of Baht 840 million. As a result, the Company has 60% interest in the equity interest of such company.

\*\* On October 16, 2017, STP&I invested in ST Property & Logistics Co., Ltd. (STP&L), a newly established company for a total Baht 1 million. In 2018, STP&L increased registered and paid-up share capital from Baht 1 million to Baht 440 million. STP&I had 100% holding in such company.

\*\*\* On December 25, 2020, the Company purchased 30% of ordinary shares of Fill Up Network Co., Ltd. from the non-controlling shareholder (Central Oil Group Co., Ltd.) at a price of Baht 72.5 million, Therefore the Company own 100% of shares in Fill Up Network Co., Ltd.

\*\*\*\* On June 28, 2019, ST Property and Logistics Company Limited purchased ordinary shares of Boutique Prakanong 1 Limited and Boutique Prakanong 2 Limited (both companies with registered capital of Baht 30 million) from the existing shareholders at the price of Baht 404 million and Baht 117 million, respectively, representing 100% of the registered capital of both companies. Later, on August 5, 2019, both companies had registered the changes of their name to ST Hill Company Limited and ST Hub Company Limited, respectively.

\*\*\*\*\* On April 22, 2022, STP&L acquired ordinary shares of Growth Warehouse Co., Ltd. from the existing shareholder, for a total of Baht 2.7 million, representing 90% interest in the equity interest of such company. Later in May 2022, GW increased registered and paid-up share capital from Baht 3 million to Baht 50 million. STP&L invested addition Baht 42.3 million to maintain 90% holding.



b) Joint venture

Company Name	Type of Business	Relationship	Paid-Up Capital (Baht)	% of Holding STP&I Shares
SinoPower Co., Ltd. *	Renewable energy, including Solar Roof, Solar Farm	Major shareholders by STP&I Common Director	15,000,000	-
Impact Monsoon Holdings Limited **	Holding Company	Hold 49% of shares Common Director	15,506,790.79 USD	

\* On May 2022, the Company and Powervault (Thailand) Company Limited registered with the Ministry of Commerce the establishment of Sinopower Company Limited ("Sinopower"). Sinopower has a registered share capital of Baht 60 million, 25% was called up. The Company invested Baht 9 million in Sinopower, representing 60% of its ordinary shares. The Company determined that this investment is investment in joint venture since the Company and Powervault (Thailand) Company Limited have joint control in Sinopower.

\*\* In January 2023, the Company invested in Monsoon Wind Power Company Limited, which is the 600-megawatt MONSOON wind power plant project ("MWPC") in the Lao People's Democratic Republic, which produces and sells electricity according to the power purchase agreement with the Vietnam Electricity Authority by establishing ST Clean Planet (Asia) Co., Ltd. (a subsidiary) to invest in common shares of Impact Monsoon Holdings Limited ("IMH"). After purchasing shares in IMH, the Company will be the actual shareholder (Ultimate Shareholder) in the proportion of 15.87 percent of MWPC's paid-up capital.

c) Associated Company

Company Name	Type of Business	Relationship	Paid-Up Capital (Baht)	% of Holding STP&I Shares
KTBST Mixed Freehold and Leasehold Real Estate Investment Trust	Real Estate Investment Trust	Major shareholders by STP&I and STP&L (over 20% but less than 50% of total shares)	3,015,000,000	-
Impact Solar Group Limited *	Holding Company	Hold 50% of shares Common Director	1,076,578,120	

\* In December 2023, the Company invested 50% in the solar power generation business in Impact Solar Group Limited ("ISG"), which will make the Company the ultimate shareholder in the proportion of 50% of the paid-up registered capital of Impact Solar Group (Thailand) Company Limited ("ISGT") and 25.52 percent of the paid-up registered capital of Impact Solar Company Limited ("ISL").

d) Related Companies

Company Name	Type of Business	Relationship	Paid-Up Capital (Baht)	% of Holding STP&I Shares
Sino-Thai Engineering and Construction Public Company Limited	Construction	Common Directors	1,525,106,540	-
HTR Corporation Limited	Office building for rent	Subsidiary of Sino-Thai Engineering and Construction Public Company Limited	500,000,000	-
Wisdom Services Co., Ltd.	Rental of machinery and construction equipment	Subsidiary of Sino-Thai Engineering and Construction Public Company Limited	2,211,000,000	-
WP Green Energy Co., Ltd.	Business relate to generate and sell electricity	Common Director of WPP	100,000,000	-
Songsahai Trading Co., Ltd.	Construction contractor	Common Director of GW	500,000	
Growth construction Co., Ltd	Construction contractor	Common Director	5,000,000	

e) Related Party Transactions as of December 31, 2023

(Unit: Million Baht)

Company Name	Transaction			
	Revenue Type	Amount	Expense Type	Amount
<b>Related Companies</b>				
- Sino-Thai Engineering and Construction Public Company Limited	Sales and Services	9.10	None	-
- HTR Corporation Limited	None	-	Rental and Service expenses	7.39
- Wisdom Services Co., Ltd.	Sales and Services	0.82	Service expenses	0.03
- WP Green Energy Co., Ltd.	None	-	None	-
- Songsahai Trading Co., Ltd.	None	-	Purchases of assets	41.32
- Growth Construction Co., Ltd.	None	-	Purchases of assets	62.66

Company Name	Transaction			
	Revenue Type	Amount	Expense Type	Amount
- Impact Energy Asia Development Limited	Interest income	0.03	None	-
<b>Total</b>		<b>9.95</b>		<b>111.40</b>
<b>Subsidiaries</b>				
- STIT Co., Ltd.	Dividend income	40.50	Goods	0.11
	Other income	1.39	Rental and Service expenses	6.74
			Interest expenses	0.02
- STIT 2011 Co., Ltd.	Sales and Services	0.03	None	-
- STP&I Services Co., Ltd.	Sales and Services	0.03	Interest expenses	1.00
- WPGE Phetchaburi Co., Ltd.	Sales and Services	0.04	None	-
	Interest income	51.23		
- ST Property & Logistics Co., Ltd.	Sales and Services	0.07	None	-
	Interest income	8.31		
	Other income	3.60		
- Fill Up Network Co., Ltd.	Sales and Services	0.03	Interest expenses	0.78
- ST Hill Co., Ltd.	Sales and Services	0.04	None	-
- ST Hub Co., Ltd.	Sales and Services	0.04	None	-
- Cannatory Co., Ltd.	None	-	Sales assets	0.07
- Growth Warehouse Co., Ltd.	None	-	None	-
- ST Clean Planet (Asia) Limited	Interest income	34.57	None	-
<b>Total</b>		<b>139.88</b>		<b>8.72</b>
<b>Associated Company</b>				
- KTBST Mixed Freehold and Leasehold Real Estate Investment Trust	Property Management Fee	17.68	Rental and Service expenses	6.39
	Rental income	41.90		
	Dividend income	61.94		
<b>Total</b>		<b>121.52</b>		<b>6.39</b>
<b>Joint venture</b>				
- SinoPower Co., Ltd.	Interest income	1.71	None	-
- Impact Monsoon Holdings Limited	Interest income	8.05	None	-
- Impact Solar Group Limited	None	-	None	-

Company Name	Transaction			
	Revenue Type	Amount	Expense Type	Amount
Total		9.76		-

#### Necessity of the related transactions

Transactions between the company and its subsidiaries, affiliates and/or related companies have been done by taking consideration reasonable. Related companies has worked efficiency and all related transactions are fair and market price.

The Audit Committee is of opinion that the related party transactions are normal trade that the Company has done with various people in the industry related to its business. The determination of the purchase price is in accordance with normal business practices, not transferring the Company's benefit to related parties. Related transactions are carried out based on the best benefits of the Company and shareholders. And in the case of a connected transaction, there will be the opinion of an independent consultation, as the case may be, as necessary and appropriate, including compliance with the regulations and guidelines of the SEC and the SET for reasonable consideration.

#### Approval procedure related Transactions

For transactions between the Company and its subsidiaries, affiliates, related companies or any persons who might have conflict of interest, the Company complied with rules, regulations, announcement of the Stock Exchange of Thailand (SET) where the directors or persons who may have conflicts of interest or there may be any conflicts of interest with the Company or its subsidiaries, have no the right to vote in considering and approving the related transactions. It must be considered and approved by the Audit Committee and must be approved by the Board of Directors and Shareholders, as the case may be.

#### Connected Transactions Policy

For future related transactions that will be incurred in accordance with the normal business of the Company and have general terms and conditions for sale and services transaction. The Company has established the policy for related transactions to have conditions in accordance with the market price which can be compared with the price incurred by outsiders as well as setting prices and conditions of transactions to be cleared, faired and not causing a transfer of benefit. For other related transactions without specific terms of trade, the Company shall appoint the Audit Committee to give opinion on necessity and reasonableness of such transaction and shall comply with the laws concerning securities and stock exchange and the regulations, announcement, orders or requirements of the Stock Exchange of Thailand as well as the requirements concerning the disclosure of the related and the acquisition and disposal of the material assets of the Company. In case that the transactions are not in the expertise of

the Audit Committee, the Company may appoint experts to give opinion to the Board of Directors or shareholders as the case may be. Any person who might have conflict of interest shall not be allowed to take part in the approval process. In addition, the Company has disclosed the related transactions in the note of our audited financial statements.

#### **Report on Interest of Directors, Executives and Related Persons**

The Board of Directors has prepared a report on the interests of directors and executives which requires Directors and Executives to report to the Company their own interests of those of related persons which is an interest related to the management of the business of the Company or subsidiaries. This is to provide the Company with information to carry out the regulations regarding connected transactions which are transactions that may cause conflict of interest and may lead to the transfer of benefits of the Company and its subsidiaries and for the benefits of monitoring and supervising the interests of the Company's directors and executives or of related persons which is an interest related to the management of the business of the Company or subsidiaries. To comply with the announcement Tor.Jor.2/2552 (2009) of Capital Market Supervisory Board and Section 89/14 of the Securities and Exchange Act B.E. 2535 (1992) as amended by the Securities and Exchange Act (No.4) B.E. 2551 (2008), the Board of Directors mandate directors and executives to disclose his interest or his related person's interest that may have conflict with the Company or its subsidiary for the purpose of Conflict of Interest monitoring to the Company. The Board of Directors also assigned the Company Secretary to keep the original reports and copy to the Chairman of the Board and the Chairman of Audit Committee.

In 2023, no transactions with stakeholders, including Directors and executives Directors of the company. or of related persons In managing the affairs of the company or subsidiaries.

03

## Report and consolidated financial statements



## Independent Auditor's Report

To the Shareholders of STP&I Public Company Limited

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### Opinion

I have audited the accompanying consolidated financial statements of STP&I Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of STP&I Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of STP&I Public Company Limited and its subsidiaries and of STP&I Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## **Emphasis of Matter**

I draw attention to Note 36.5 to the financial statements. In 2019, the subsidiary was involved in the dispute with the contractors hired for the design and construction of the waste-to-energy plant and a civil lawsuit brought by another building contractor. The lawsuit with the building contractor is under consideration of the Supreme Court. The dispute with the design and construction contractors was already resolved during the current year. My opinion is not modified in respect of this matter.

## **Key Audit Matters**

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

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

### ***Revenue and costs from fabrication work***

The Company has disclosed its policy on recognition of revenue and costs from fabrication work in Note 4.1 to the financial statements. I focused my audit on revenue recognition and estimation of budget costs and possible losses from fabrication work, because the processes of measurement, determination of the appropriate timing of revenue and cost recognition, and the possible losses, are areas requiring management to exercise significant judgement in assessing the percentage of completion (with reference to estimates made by project engineers), estimating service costs throughout the project, assessing the probability of loss and measuring possible loss. Therefore, there are risks with respect to the amount and timing of the recognition of revenue and costs and the estimation of possible losses from fabrication work.



I assessed and gained an understanding of the methods and procedures used by the Company to evaluate the percentage of completion, estimate total costs throughout the project and estimate possible losses. I tested the Company's key internal controls relevant to revenue recognition from fabrication work, estimation of budget costs and recognition of construction materials, labor and subcontract work and overhead costs. I also reviewed the rationale for the conclusion reached through a comparison of the percentage of completion, with reference to the estimates made by the project engineer, to the ratio of up-to-date actual costs and budgets throughout the project. I examined actual costs by checking related documents, on a sampling basis. Moreover, I evaluated the estimation of possible losses by the management through an analysis of the ratio of actual costs to budgeted costs by significant cost components. I also performed an analytical review on increases and decreases in the revenues and gross margins from provision of services by project.

*Impairment of rights to produce and sell electricity from municipal waste and power plant under construction*

As discussed in Notes 19 and 20 to the financial statements, in 2019, the subsidiary temporarily suspended the construction of a waste-to-energy plant due to the dispute with the design and construction contractors, resulting in the production and distribution of the electricity falling behind schedule. The Group has rights to produce and sell the electricity from municipal waste in the consolidated financial statements as of 31 December 2023 amounting to Baht 270 million and the net book value of the power plant under construction as of 31 December 2023 amounting to Baht 1,355 million, presented in property, plants and equipment in the consolidated financial statements. I focused my audited on the impairment of rights to produce and sell electricity from municipal waste and power plant under construction of the Group since this account requires judgement of the management involved in the forecasting of the future performance of the assets, including the determination of discount rates and significant assumptions which cause a risk relating to the allowance for impairment of the account.

I tested significant assumptions applied by the management in preparing estimates of cash flows expected to be realised from the assets in the future, by comparing those assumptions to information from both internal and external sources of the Group, in order to evaluate the exercise of management judgement in estimating the cash flow projections. I also evaluated the discount rates applied by the management through analysis of the weighted average cost of capital of the entity and industry, and tested the calculation of the realisable values of the assets using the selected financial models.

**Other Information**

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

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

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

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

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

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

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

I am responsible for the audit resulting in this independent auditor's report.



Natthawut Santipet

Certified Public Accountant (Thailand) No. 5730

EY Office Limited

Bangkok: 29 February 2024

**Statements of financial position**  
**STP&I Public Company Limited and its subsidiaries**  
As at 31 December 2023

(Unit: Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	261,256,598	329,813,443	167,353,569	233,534,128
Trade and other receivables	6, 9	833,325,609	761,018,273	878,142,326	769,535,565
Contract assets					
Unbilled receivables	10	1,034,022,167	584,545,525	1,034,022,167	584,545,525
Retention receivables	10	290,045,570	120,395,532	290,045,570	120,395,532
Short-term loans to related parties	6	30,000,000	-	490,500,000	620,000,000
Inventories	11	225,686,338	276,138,069	117,686,185	145,564,685
Advances payment to suppliers and contractors		37,755,984	24,781,271	29,569,809	18,441,364
Other current financial assets	8	674,162,295	1,769,310,742	659,699,837	1,529,436,109
Other current assets	12	<u>76,094,769</u>	<u>164,907,551</u>	<u>41,642,258</u>	<u>141,585,353</u>
<b>Total current assets</b>		<u>3,462,349,330</u>	<u>4,030,910,406</u>	<u>3,708,661,721</u>	<u>4,163,038,261</u>
<b>Non-current assets</b>					
Restricted bank deposits	13	62,597,218	62,441,980	23,000,000	23,000,000
Other non-current financial assets	14	262,923,263	461,750,994	162,842,901	361,670,632
Investments in subsidiaries	15	-	-	830,960,586	829,934,310
Investments in joint ventures	16	1,181,717,115	8,814,840	35,999,725	8,999,950
Investments in associates	17	1,767,526,666	804,918,435	282,078,267	282,078,267
Long-term loans to related parties	6	6,360,961	-	2,879,633,605	1,133,250,000
Investment properties	18	2,749,655,072	2,698,505,625	349,214,805	349,214,805
Property, plant and equipment	19	2,147,732,394	2,350,061,482	589,612,569	636,805,835
Rights to produce and sell electricity from municipal waste	20	270,297,806	434,297,806	-	-
Other intangible assets		4,453,856	7,893,905	4,403,792	7,335,065
Deferred tax assets	29	63,353,428	57,598,618	58,063,060	52,850,083
Other non-current assets		<u>264,950,892</u>	<u>215,677,942</u>	<u>88,840,778</u>	<u>54,354,108</u>
<b>Total non-current assets</b>		<u>8,781,568,671</u>	<u>7,101,961,627</u>	<u>5,304,650,088</u>	<u>3,739,493,055</u>
<b>Total assets</b>		<u>12,243,918,001</u>	<u>11,132,872,033</u>	<u>9,013,311,809</u>	<u>7,902,531,316</u>

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

## Statements of financial position (continued)

### STP&I Public Company Limited and its subsidiaries

As at 31 December 2023

(Unit: Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	21	893,000,000	-	693,000,000	-
Trade and other payables	6, 22	986,826,016	583,052,811	445,974,652	406,434,038
Short-term loans from subsidiaries	6	-	-	259,000,000	-
Contract liabilities - advances received from customers	10	40,362,747	106,138,530	34,188,071	92,170,035
Current portion of advance rental income	6, 18	54,398,950	55,044,796	-	-
Current portion of long-term loans from financial institutions	23	175,980,000	174,504,000	144,000,000	144,000,000
Current portion of lease liabilities	24	17,905,715	26,155,047	9,130,813	10,718,127
Income tax payable		5,393,774	1,532,652	-	-
Other current liabilities		<u>69,853,826</u>	<u>61,017,650</u>	<u>63,529,145</u>	<u>53,522,370</u>
<b>Total current liabilities</b>		<u>2,243,721,028</u>	<u>1,007,445,486</u>	<u>1,648,822,681</u>	<u>706,844,570</u>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions - net of current portion	23	423,076,000	599,056,000	260,000,000	404,000,000
Lease liabilities - net of current portion	24	250,395,131	262,831,317	17,754,222	26,885,035
Provision for long-term employee benefits	25	151,915,765	84,272,244	146,082,548	80,194,534
Advance rental income	6, 18	1,125,131,415	1,167,031,407	-	-
Deferred tax liabilities	29	180,742,074	212,562,619	-	-
Other long-term provision		25,257,650	25,257,650	-	-
Other non-current liabilities	6	<u>23,478,325</u>	<u>25,921,409</u>	<u>-</u>	<u>-</u>
<b>Total non-current liabilities</b>		<u>2,179,996,360</u>	<u>2,376,932,646</u>	<u>423,836,770</u>	<u>511,079,569</u>
<b>Total liabilities</b>		<u>4,423,717,388</u>	<u>3,384,378,132</u>	<u>2,072,659,451</u>	<u>1,217,924,139</u>

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

## Statements of financial position (continued)

### STP&I Public Company Limited and its subsidiaries

As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Shareholders' equity</b>					
Share capital	27				
Registered					
1,601,317,500 ordinary shares of Baht 0.25 each					
(2022: 1,624,838,400 ordinary shares of Baht 0.25 each)		<u>400,329,375</u>	<u>406,209,600</u>	<u>400,329,375</u>	<u>406,209,600</u>
Issued and fully paid up					
1,601,310,578 ordinary shares of Baht 0.25 each					
(2022: 1,624,831,478 ordinary shares of Baht 0.25 each)		400,327,645	406,207,870	400,327,645	406,207,870
Premium on ordinary shares		1,356,908,662	1,356,908,662	1,356,908,662	1,356,908,662
Premium on treasury shares		-	96,309,692	-	96,309,692
Retained earnings					
Appropriated - statutory reserve	26	40,629,710	40,629,710	40,629,710	40,629,710
Appropriated - treasury shares reserve	27	-	120,754,972	-	120,754,972
Unappropriated		5,908,347,128	5,644,552,202	5,191,245,044	4,780,785,364
Treasury shares	27	-	(120,754,972)	-	(120,754,972)
Other components of shareholders' equity		<u>(9,754,231)</u>	<u>3,765,879</u>	<u>(48,458,703)</u>	<u>3,765,879</u>
Equity attributable to owners of the Company		<u>7,696,458,914</u>	<u>7,548,374,015</u>	<u>6,940,652,358</u>	<u>6,684,607,177</u>
Non-controlling interests of the subsidiaries		<u>123,741,699</u>	<u>200,119,886</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>		<u>7,820,200,613</u>	<u>7,748,493,901</u>	<u>6,940,652,358</u>	<u>6,684,607,177</u>
<b>Total liabilities and shareholders' equity</b>		<u>12,243,918,001</u>	<u>11,132,872,033</u>	<u>9,013,311,809</u>	<u>7,902,531,316</u>

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

**Statements of comprehensive income**  
**STP&I Public Company Limited and its subsidiaries**  
For the year ended 31 December 2023

(Unit: Baht)

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>Note</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>Profit or loss:</b>					
<b>Revenues</b>					
Revenues from fabrication work		3,144,919,992	3,318,781,450	3,144,919,992	3,318,781,450
Sales and service income		617,936,751	328,780,812	271,462,837	73,944,860
Revenue from rental of real estates		125,139,317	108,378,323	-	-
Dividend income	8, 14, 15, 17	22,087,783	29,942,552	81,697,974	45,453,879
Other income	30	84,494,435	27,640,252	81,177,625	28,435,578
<b>Total revenues</b>		<b>3,994,578,278</b>	<b>3,813,523,389</b>	<b>3,579,258,428</b>	<b>3,466,615,767</b>
<b>Expenses</b>					
Cost of fabrication work		2,728,497,045	3,144,760,987	2,730,242,712	3,146,159,744
Factory overhead expenses not allocated to cost of fabrication work		190,852,266	189,558,514	190,852,266	189,558,514
Cost of sales and services		423,570,629	183,841,056	178,188,230	19,761,157
Cost of rental of real estates		54,124,442	53,876,813	-	-
Selling and distribution expenses		6,719,647	7,761,762	-	-
Administrative expenses		227,310,032	296,056,323	138,701,528	112,662,537
Other expenses	31	236,758,141	182,001,140	77,672,542	181,530,371
<b>Total expenses</b>		<b>3,867,832,202</b>	<b>4,057,856,595</b>	<b>3,315,657,278</b>	<b>3,649,672,323</b>
<b>Operating profit (loss)</b>		<b>126,746,076</b>	<b>(244,333,206)</b>	<b>263,601,150</b>	<b>(183,056,556)</b>
Share of loss from investments in joint ventures	16	(29,216,341)	(185,110)	-	-
Share of profit from investments in associates	17	22,724,667	28,148,201	-	-
Finance income		61,010,726	69,570,795	138,581,836	122,709,059
Finance cost	32	(61,631,629)	(38,186,730)	(44,996,233)	(26,597,826)
<b>Profit (loss) before income tax</b>		<b>119,633,499</b>	<b>(184,986,050)</b>	<b>357,186,753</b>	<b>(86,945,323)</b>
Income tax benefit (expenses)	29	4,975,587	(5,941,534)	(10,463,741)	15,528,601
<b>Profit (loss) for the year</b>		<b>124,609,086</b>	<b>(190,927,584)</b>	<b>346,723,012</b>	<b>(71,416,722)</b>

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



## Statements of comprehensive income (continued)

### STP&I Public Company Limited and its subsidiaries

For the year ended 31 December 2023

(Unit: Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements					
in foreign currency - net of income tax		8,982,020	-	-	-
Share of other comprehensive income					
from investments in joint ventures - net of income tax	16	29,722,452	-	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Loss on investments in equity designated at fair value					
through other comprehensive income - net of income tax		(52,224,582)	(22,080,933)	(52,224,582)	(22,080,933)
Actuarial loss - net of income tax		<u>(49,258,873)</u>	<u>-</u>	<u>(48,329,858)</u>	<u>-</u>
<b>Other comprehensive income for the year</b>		<u>(62,778,983)</u>	<u>(22,080,933)</u>	<u>(100,554,440)</u>	<u>(22,080,933)</u>
<b>Total comprehensive income for the year</b>		<u>61,830,103</u>	<u>(213,008,517)</u>	<u>246,168,572</u>	<u>(93,497,655)</u>
<b>Profit (loss) attributable to:</b>					
Equity holders of the Company		200,987,273	(144,904,899)	<u>346,723,012</u>	<u>(71,416,722)</u>
Non-controlling interests of the subsidiaries		<u>(76,378,187)</u>	<u>(46,022,685)</u>		
		<u>124,609,086</u>	<u>(190,927,584)</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		138,208,290	(166,985,832)	<u>246,168,572</u>	<u>(93,497,655)</u>
Non-controlling interests of the subsidiaries		<u>(76,378,187)</u>	<u>(46,022,685)</u>		
		<u>61,830,103</u>	<u>(213,008,517)</u>		
<b>Earnings per share</b>	33				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		<u>0.13</u>	<u>(0.09)</u>	<u>0.22</u>	<u>(0.04)</u>

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

# Statements of changes in shareholders' equity

## STP&I Public Company Limited and its subsidiaries

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements												
	Equity attributable to owners of the Company												
	Other components of shareholders' equity												
	Other comprehensive income												
	Retained earnings			Treasury shares	Fair value reserve	Exchange differences on translation of financial statements in foreign currency	Share of other comprehensive income from joint ventures	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total			
Issued and fully paid-up share capital	Premium on ordinary shares	Premium on treasury shares	Statutory reserve									Appropriated	Treasury shares reserve
<b>Balance as at 1 January 2022</b>	406,207,870	1,356,908,662	96,309,692	40,629,710	120,754,972	5,769,457,101	(120,754,972)	25,846,812	-	-	7,715,359,847	241,142,571	7,956,502,418
Loss for the year	-	-	-	-	-	(144,904,899)	-	-	-	-	(144,904,899)	(46,022,685)	(190,927,584)
Other comprehensive income for the year	-	-	-	-	-	-	-	(22,080,933)	-	-	(22,080,933)	-	(22,080,933)
Total comprehensive income for the year	-	-	-	-	-	-	-	(22,080,933)	-	-	(166,985,832)	(46,022,685)	(213,008,517)
Increase in non-controlling interests of the subsidiary from acquisition of investments in subsidiary (Note 15)	-	-	-	-	-	-	-	-	-	-	-	5,000,000	5,000,000
<b>Balance as at 31 December 2022</b>	406,207,870	1,356,908,662	96,309,692	40,629,710	120,754,972	5,644,552,202	(120,754,972)	3,765,879	-	-	7,548,374,015	200,119,866	7,748,493,901
<b>Balance as at 1 January 2023</b>	406,207,870	1,356,908,662	96,309,692	40,629,710	120,754,972	5,644,552,202	(120,754,972)	3,765,879	-	-	7,548,374,015	200,119,866	7,748,493,901
Profit for the year	-	-	-	-	-	200,987,273	-	-	-	-	200,987,273	(76,378,187)	124,609,086
Other comprehensive income for the year	-	-	-	-	-	(49,258,873)	-	(52,224,582)	8,982,020	29,722,452	(62,778,983)	-	(62,778,983)
Total comprehensive income for the year	-	-	-	-	-	151,728,400	-	(52,224,582)	8,982,020	29,722,452	138,208,290	(76,378,187)	61,830,103
Reversal of treasury shares reserve (Note 27)	-	-	-	-	(120,754,972)	120,754,972	-	-	-	-	-	-	-
Decrease share capital from written of treasury shares (Note 27)	(5,880,225)	-	(96,309,692)	-	-	(8,888,446)	120,754,972	-	-	-	9,876,609	-	9,876,609
<b>Balance as at 31 December 2023</b>	400,327,645	1,356,908,662	-	40,629,710	-	5,908,347,128	-	(48,458,703)	8,982,020	29,722,452	7,696,458,914	123,741,699	7,820,200,613

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

# Statements of changes in shareholders' equity

## STP&I Public Company Limited and its subsidiaries

For the year ended 31 December 2023

(Unit: Baht)

	Separate financial statements										
	Issued and fully paid-up share capital	Premium on ordinary shares	Premium on treasury shares	Retained earnings			Treasury shares	Other components of shareholders' equity			
				Statutory reserve	Appropriated	Unappropriated		Treasury shares	Fair value reserve	Other comprehensive income	
											Total
Balance as at 1 January 2022	406,207,870	1,356,908,662	96,309,692	40,629,710	120,754,972	4,852,202,086	(120,754,972)	25,846,812	6,778,104,832		
Loss for the year	-	-	-	-	-	(71,416,722)	-	-	(71,416,722)		
Other comprehensive income for the year	-	-	-	-	-	-	-	(22,080,933)	(22,080,933)		
Total comprehensive income for the year	-	-	-	-	-	(71,416,722)	-	(22,080,933)	(93,497,655)		
Balance as at 31 December 2022	406,207,870	1,356,908,662	96,309,692	40,629,710	120,754,972	4,780,785,364	(120,754,972)	3,765,879	6,684,607,177		
Balance as at 1 January 2023	406,207,870	1,356,908,662	96,309,692	40,629,710	120,754,972	4,780,785,364	(120,754,972)	3,765,879	6,684,607,177		
Profit for the year	-	-	-	-	-	346,723,012	-	-	346,723,012		
Other comprehensive income for the year	-	-	-	-	-	(48,329,858)	-	(52,224,582)	(100,554,440)		
Total comprehensive income for the year	-	-	-	-	-	298,393,154	-	(52,224,582)	246,168,572		
Reversal of treasury shares reserve (Note 27)	-	-	-	-	(120,754,972)	120,754,972	-	-	-		
Decrease share capital from written of treasury shares (Note 27)	(5,880,225)	-	(96,309,692)	-	-	(8,688,446)	120,754,972	-	9,876,609		
Balance as at 31 December 2023	400,327,645	1,356,908,662	-	40,629,710	-	5,191,245,044	-	(48,458,703)	6,940,652,358		

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

## Cash flow statements

### STP&I Public Company Limited and its subsidiaries

For the year ended 31 December 2023

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	119,633,499	(184,986,050)	357,186,753	(86,945,323)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	181,857,213	189,085,195	89,287,512	87,701,675
Allowance for expected credit losses for trade receivables	6,087,043	853,407	6,349,955	-
Allowance for expected credit losses for long-term loans	-	-	8,130,625	-
Reversal of reduction of inventory cost to net realisable value	(3,686,394)	(16,801,986)	(3,935,067)	(17,326,371)
Reversal of allowance for impairment loss on other financial assets	(2,339,850)	-	(2,339,850)	-
Impairment loss on rights to produce and sell electricity from municipal waste	164,000,000	-	-	-
Share of loss from investments in joint ventures	29,216,341	185,110	-	-
Share of profit from investments in associates	(22,724,667)	(28,148,201)	-	-
Loss (gain) on sales and write-off of equipment	(9,248,864)	443,402	(530,145)	(287,592)
Loss on sales of other current financial assets	23,702,509	22,611,961	25,376,425	23,164,161
Loss (gain) on changes in fair value of other financial assets	(39,927,014)	65,571,045	(44,122,249)	62,922,414
Gain on sales of other long-term investments	(516,150)	-	(516,150)	-
Dividend received from other financial assets	(22,087,783)	(29,942,552)	(21,365,127)	(27,353,349)
Dividend received from subsidiary	-	-	(40,499,979)	-
Dividend received from associate	-	-	(19,832,868)	(18,100,530)
Provision for long-term employee benefits	33,103,519	23,564,492	31,869,690	22,477,152
Unrealised loss on foreign exchange	11,008,721	74,997,155	41,148,126	74,513,501
Loss (gain) on derivatives	70,827,479	(77,484,265)	70,827,479	(77,767,063)
Interest income from loans and debentures	(35,611,924)	(52,284,693)	(122,120,984)	(105,631,323)
Interest expenses	46,127,320	36,878,907	30,290,217	25,719,835
Profit (loss) from operating activities before changes in operating assets and liabilities	549,420,998	24,542,927	405,204,363	(36,912,813)

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

**Cash flow statements (continued)**  
**STP&I Public Company Limited and its subsidiaries**  
For the year ended 31 December 2023

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Operating assets (increase) decrease				
Trade and other receivables and contract assets	(700,488,515)	(538,130,075)	(713,235,965)	(529,106,721)
Inventories	54,129,967	268,997,192	31,813,567	237,305,733
Other current financial assets	1,043,631,980	195,725,079	820,741,125	(26,649,329)
Other current assets	(8,557,059)	(10,312,200)	4,015,698	(16,573,057)
Other non-current assets	(8,603,090)	(3,012,202)	2,993,069	(166,750)
Operating liabilities increase (decrease)				
Trade and other payables	34,665,800	89,425,656	47,736,888	165,754,189
Advances received from customers	(65,775,782)	(39,809,771)	(57,981,964)	(46,660,150)
Revenue from fabrication work received in advance	(645,846)	(115,599,193)	-	(115,599,193)
Payment of long-term employee benefits	(21,859,770)	(8,146,510)	(21,220,178)	(6,807,700)
Other current liabilities	5,689,170	(1,929,542)	2,747,667	3,175,363
Rental revenue received in advance	(42,508,323)	(42,990,867)	-	-
Deposit from long-term lease agreements	(63,292)	(246,729)	-	-
Other non-current liabilities	(2,379,791)	(1,769,139)	-	-
Cash flows from (used in) operating activities	836,656,447	(183,255,374)	522,814,270	(372,240,428)
Interest paid	(40,266,923)	(31,726,493)	(28,578,633)	(23,890,236)
Cash paid for corporate income tax	(28,384,705)	(49,506,871)	(11,961,086)	(37,479,737)
Cash received from the final outcome of the dispute	67,819,306	-	-	-
<b>Net cash flows from (used in) operating activities</b>	<b>835,824,125</b>	<b>(264,488,738)</b>	<b>482,274,551</b>	<b>(433,610,401)</b>

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

## Cash flow statements (continued)

### STP&I Public Company Limited and its subsidiaries

For the year ended 31 December 2023

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Cash flows from investing activities</b>				
Decrease (increase) in restricted bank deposits	(155,238)	11,434,421	-	-
Cash received from repayment of long-term loan to other company	-	80,000,000	-	80,000,000
Decrease (increase) in short-term loans to subsidiary	-	-	129,500,000	(100,000,000)
Increase in short-term loans to joint venture	(30,000,000)	-	-	-
Increase in long-term loans to subsidiaries	-	-	(1,777,464,211)	(72,250,000)
Increase in long-term loans to joint venture	(6,555,381)	-	(6,555,381)	-
Proceeds from sales of other financial assets	70,110,253	-	70,110,253	-
Acquisition of investments in structured note	-	(67,016,800)	-	(67,016,800)
Acquisition of investments in debentures	-	(110,000,000)	-	(10,000,000)
Cash received from redemption of investments in debentures	122,916,417	152,083,250	122,916,417	152,083,250
Acquisition of investments in subsidiaries	-	(2,397,000)	(1,026,277)	-
Acquisition of investments in joint ventures	(741,749,427)	(8,999,950)	(26,999,775)	(8,999,950)
Acquisition of investments in associates	(1,001,824,432)	(5,636,422)	-	(5,636,422)
Proceeds from sales of equipment and intangible assets	13,806,818	10,601,935	2,492,145	309,055
Acquisition of investment properties	(102,724,191)	(212,697,508)	-	-
Acquisition of property, plant and equipment	(52,093,197)	(64,860,943)	(47,286,483)	(70,638,041)
Acquisition of other intangible assets	(476,000)	(324,166)	(476,000)	(324,166)
Cash received from dividends from other financial assets	22,087,783	29,969,373	21,365,127	27,380,169
Cash received from dividends from subsidiary	-	-	40,499,979	-
Cash received from dividends from associate	61,940,868	56,530,530	19,832,868	18,100,530
Cash received from interest	35,684,810	61,230,680	99,130,925	65,320,543
<b>Net cash flows from (used in) investing activities</b>	<b>(1,609,030,917)</b>	<b>(70,082,600)</b>	<b>(1,353,960,413)</b>	<b>8,328,168</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loans from financial institutions	893,000,000	(100,000,000)	693,000,000	-
Increase in short-term loans from subsidiaries	-	-	259,000,000	-
Repayment of long-term loans from financial institutions	(174,504,000)	(172,044,000)	(144,000,000)	(144,000,000)
Payment of lease liabilities	(32,407,307)	(26,647,355)	(12,351,018)	(12,197,430)
Cash received from resales of treasury shares	9,876,609	-	9,876,609	-
Dividend paid	-	(21,145)	(1,895)	(21,145)
Cash received from non-controlling interests for investment in subsidiary	-	4,700,000	-	-
<b>Net cash flows from (used in) financing activities</b>	<b>695,965,302</b>	<b>(294,012,500)</b>	<b>805,523,696</b>	<b>(156,218,575)</b>
<b>Increase in translation adjustment</b>	<b>8,982,020</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(68,259,470)</b>	<b>(628,583,838)</b>	<b>(66,162,166)</b>	<b>(581,500,808)</b>
Effect of exchange rate for cash and cash equivalents	(297,375)	(22,045,582)	(18,393)	(22,045,583)
Cash and cash equivalents at beginning of year	329,813,443	980,442,863	233,534,128	837,080,519
<b>Cash and cash equivalents at end of year</b>	<b>261,256,598</b>	<b>329,813,443</b>	<b>167,353,569</b>	<b>233,534,128</b>

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

**Cash flow statements (continued)**  
**STP&I Public Company Limited and its subsidiaries**  
For the year ended 31 December 2023

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Supplemental cash flows information</b>				
Non-cash related transactions				
Increase (decrease) in accounts payable for purchases of				
property, plant and equipment	(9,519,289)	9,448,806	(6,637,510)	6,561,034
Decrease in construction payable and power plant under construction				
resulting from the final outcome of the dispute.	(49,937,350)	-	-	-
Investments in joint venture which have not been paid	396,847,466	-	-	-
Increase in right-of-use assets due to entering into lease agreements	6,619,092	3,333,325	-	2,419,467
Increase in investment properties due to investment in subsidiary	-	33,782,000	-	-

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

## Notes to consolidated financial statements

### STP&I Public Company Limited and its subsidiaries

For the year ended 31 December 2023

#### 1. General information

##### 1.1 General information of the Company

STP&I Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in steel fabrication work, and the manufacture of boilers and pressure vessels. The registered office of the Company is at 32/24, 3rd Floor Sino-Thai Tower, Sukhumvit 21 Road, Kwaeng Klongtoey Nua, Khet Wattana, Bangkok.

#### 2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

##### 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of STP&I Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries") (collectively as "the Group"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2023</u>	<u>2022</u>
			Percent	Percent
<u>Held by the Company</u>				
STIT Company Limited	Manufacture, sale and rental of construction equipment	Thailand	100	100
STP&I Services Company Limited	Construction services	Thailand	100	100
ST Property and Logistics Company Limited	Property development and logistics services	Thailand	100	100



Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2023</u> Percent	<u>2022</u> Percent
Fill Up Network Company Limited*	Community automated gas station	Thailand	100	100
Cannatory Company Limited**	Production and distribution of hemp products	Thailand	100	100
ST Clean Planet (Asia) Limited	Holding Company	Hong Kong	100	-
ST Evolution Pte. Ltd.	Holding Company	Singapore	100	-
ST Clean Planet Company Limited	Holding Company	Thailand	100	-
<u>Held by subsidiary companies</u>				
STIT 2011 Company Limited	Sale and rental of construction equipment	Thailand	100	100
WPGE Phetchaburi Company Limited	Production and distribution of electricity generated from waste and municipal solid waste management	Thailand	60	60
ST Hill Company Limited	Property development	Thailand	100	100
ST Hub Company Limited	Property development	Thailand	100	100
Growth Warehouse Company Limited	Property development and logistics services	Thailand	90	90

\* The subsidiary ceased its operations in December 2021.

\*\* The subsidiary registered its dissolution in the current year (Note 15).

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.

- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
  - g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries, joint ventures and associates under the cost method.

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the current year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

#### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

### **4. Significant accounting policies**

#### **4.1 Revenue and expense recognition**

##### **Revenue from fabrication work**

The Group has determined that the fabrication work generally have one performance obligation. The Group recognises revenue from fabrication work over time where the stage of completion is measured using an output method, based on information provided by project engineers or project managers.

The likelihood of contract variations, claims and liquidated damages, delays in delivery or contractual penalties is taken into account in determining the revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

### **Sales of goods**

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

### **Rendering of services**

Service revenue is recognised at a point in time upon completion of the service.

### **Interest income**

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

### **Dividends**

Dividends are recognised when the rights to receive the dividends is established.

### **Finance cost**

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

## **4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

### **4.3 Contract assets/ Contract liabilities**

#### **Contract assets**

A contract asset is the excess of cumulative revenue earned over the billings to date. Allowance for impairment loss is provided for the estimated losses that may be incurred in customer collection. Contract assets are transferred to receivables when the rights become unconditional i.e. services are completed and delivered to the customer.

#### **Contract liabilities**

A contract liability is recognised when the billings to date exceed the cumulative revenue earned and the Group has an obligation to transfer goods or services to a customer. Contract liabilities are recognised as revenue when the Company fulfil its performance obligations under the contracts.

### **4.4 Inventories**

Finished goods are valued at the lower of cost (under the specific method) and net realisable value. Cost includes all acquiring costs.

Spare parts and factory supplies are valued at the lower of cost (under the first-in first-out method) and net realisable value and are charged to production costs whenever consumed.

### **4.5 Investments in subsidiaries, joint ventures and associates**

Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements using the cost method.

### **4.6 Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 5 - 35 years. Depreciation of the investment properties is included in determining income. No depreciation is provided on land.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

#### **4.7 Property, plant and equipment and depreciation**

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

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

Land improvements	10, 20 years
Buildings and construction	5, 10, 20 years
Machinery, tools and equipment	3 - 15 years
Office equipment, furniture and fixtures	3, 5 years
Motor vehicles	5 years

Depreciation of construction on lease land is calculated by reference to its cost on a straight-line basis over the lease period which is shorter than the asset's useful life.

Depreciation is included in determining income.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### **4.8 Rights to produce and sell electricity from municipal waste and amortisation**

Rights to produce and sell electricity from municipal waste acquired in a business combination were measured initially at their acquisition-date estimated fair values. Subsequent to initial recognition, rights to produce and sell electricity from municipal waste has been stated at cost less accumulated amortisation and allowance for loss on impairment (if any).

Amortisation of rights to produce and sell electricity from municipal waste is calculated by reference to cost on a straight-line basis over estimated economic useful life (estimated around 20 years), recognition of amortisation begins from the date on which the subsidiary first produces and sells electricity. The Group reviews assets for impairment whenever events or changes in circumstances indicate that an asset may be impaired, and reviews the amortisation period and the amortisation method used for rights to produce and sell electricity from municipal waste at least every year end. Amortisation is recognised as an expense in profit or loss.

## 4.9 Intangible assets

Petty patent and intellectual property and other intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Petty patent, and intellectual property and other intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Petty patent and intellectual property	9 years
Computer software	5 years

## 4.10 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

## 4.11 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### **The Group as a lessor**

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

### **The Group as a lessee**

The Group applied a single recognition and measurement approach for all leases (except for short-term leases and leases of low-value assets). At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term as follows:

Land	1 - 25 years
Buildings	3 years
Motor vehicles	1 - 4 years
Land, buildings and warehouse for rent	1 - 32 years
Community mall and office buildings for rent	1 - 31 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are presented as part of property, plant and equipment in the statement of financial position.

Right-of-use assets which are classified as investment properties are presented as part of investment properties in the statement of financial position.

### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### ***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

## **4.12 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associated companies, and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group's operations.

## **4.13 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.



Gains and losses on exchange are included in determining income.

#### **4.14 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

#### **4.15 Employee benefits**

##### **Short-term employee benefits**

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### **Post-employment benefits and other long-term employee benefits**

###### ***Defined contribution plans***

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

###### ***Defined benefit plans and other long-term employee benefits***

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

#### **4.16 Provisions**

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provision for losses on fabrication work is made in the accounts in full when the possibility of loss is ascertained.

#### **4.17 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.18 Treasury shares**

Treasury shares are stated at cost and presented as a deduction from shareholders' equity. Gains on disposal of treasury shares are determined by reference to the carrying amount and are presented as premium on treasury shares. Losses on disposal of treasury shares are determined by reference to the carrying amount and are presented net of premium on treasury shares and retained earnings, consecutively.

#### **4.19 Financial instruments**

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

##### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

##### ***Financial assets at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

##### ***Financial assets designated at FVOCI (equity instruments)***

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

### **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

### **Impairment of financial assets**

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **4.20 Derivatives**

The Group uses derivatives, which are forward currency contracts, to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

#### **4.21 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure its 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 measures 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 active market for such assets or liabilities

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

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

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

#### **5. Significant accounting 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:

##### **Revenue from fabrication work**

The Group recognises revenue from fabrication work over time taking into account the stage of completion. The management has exercised judgement in measuring the progress towards satisfaction of the performance obligation, with reference to information provided by project engineers or project managers and relying on their expertise and past experience.

##### **Estimated construction project costs**

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

**Provision for losses on projects**

Management applied judgement in estimating the losses they expect to be realised on each project, based on actual costs incurred to date, the progress of construction, the status of the project, any fluctuations in costs of materials and labour, the current situation and relevant information regarding warranties and claims on the contracted works.

**Leases*****Estimating the incremental borrowing rate - The Group as a lessee***

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

***Lease classification - The Group as lessor***

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to 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 expected credit losses of trade receivables and contract assets**

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

**Investment properties**

The disclosure of fair value of investment properties requires management to make estimates the fair value by an independent appraiser. The independent appraiser valued the investment properties using the income approach, because there is no market price that could be used to apply a comparative approach. The key assumptions used in estimating the fair value are described in Note 18 to the financial statements.

### **Property, plant and equipment and 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.

### **Allowance for impairment of non-financial assets**

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years or lifetime of assets and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to property, plant and equipment and rights to produce and sell electricity from municipal waste recognised by the Group.

### **Deferred tax assets**

Deferred tax assets are recognised 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 recognised, based upon the likely timing and level of estimate future taxable profits.

### **Dispute and litigation**

The Group has contingent liabilities as a result of dispute and litigation. The Group's management has used judgement to assess of the results of the dispute and litigation and believes that no loss will result. Therefore, no contingent liabilities are recorded as at the end of reporting period.



## 6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<b><u>Transactions with subsidiaries</u></b>					
(eliminated from the consolidated financial statements)					
Cost of fabrication work	-	-	7	4	Market price or contract price
Interest income	-	-	94	59	1.5% - 4.5% per annum
Dividend income	-	-	41	-	As announcement
Other income	-	-	5	6	Contract price
<b><u>Transactions with associate</u></b>					
Property management fee	18	17	-	-	Contract price
Rental income	42	42	-	-	Contract price
Dividend income	62	57	20	18	As announcement
Service expenses	6	20	2	-	Contract price
<b><u>Transactions with joint ventures</u></b>					
Interest income	2	-	1	-	4.0% per annum
<b><u>Transactions with related companies</u></b>					
Revenue from sales and services	10	18	-	-	Market price or contract price
Rental and service expenses	7	8	7	6	Contract price
Purchases of assets	104	156	-	-	Contract price

ST Property & Logistics Company Limited (the subsidiary) was appointed as property manager of KTBST Mixed Freehold and Leasehold Real Estate Investment Trust (an associate). The subsidiary is entitled to receive remuneration in the form of property management fees.

The balances of the accounts as at 31 December 2023 and 2022, between the Company, subsidiaries and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Trade and other receivables - related parties (Note 9)</u></b>				
<b>Subsidiaries</b>				
STIT Company Limited	-	-	1,395	319
STIT 2011 Company Limited	-	-	70	21
STP&I Services Company Limited	-	-	-	112
ST Property and Logistics Company Limited	-	-	3,975	337
WPGE Phetchaburi Company Limited	-	-	119,891	96,647
Fill Up Network Company Limited	-	-	58	32
ST Hill Company Limited	-	-	107	-
ST Hub Company Limited	-	-	105	-
Cannatory Company Limited	-	-	-	333
ST Clean Planet (Asia) Limited	-	-	222	-
ST Clean Planet Company Limited	-	-	7	-
ST Evolution Pte. Ltd.	-	-	793	-
<b>Joint venture</b>				
Sinopower Company Limited	285	2	260	2
<b>Associate</b>				
KTBST Mixed Freehold and Leasehold Real Estate Investment Trust	6,282	6,399	-	-
<b>Related companies</b>				
Sino-Thai Engineering and Construction Public Company Limited	1,492	8,611	-	-
Songsahai Trading Company Limited	36	9,457	-	-
Wisdom Services Company Limited	570	-	-	-
<b>Related person</b>				
Director of subsidiary	-	5,000	-	-
Total trade and other receivables - related parties	<u>8,665</u>	<u>29,469</u>	<u>126,883</u>	<u>97,803</u>

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Trade and other payables - related parties (Note 22)</u></b>					
<b>Subsidiaries</b>					
STIT Company Limited	-	-	1,479	2,253	
STP&I Services Company Limited	-	-	22	-	
<b>Associate</b>					
KTBST Mixed Freehold and Leasehold Real Estate					
Investment Trust	1,784	2,790	-	-	
<b>Related companies</b>					
Songsahai Trading Company Limited	6,414	7,325	-	-	
Growth Construction Company Limited	2,928	-	-	-	
Wisdom Services Company Limited	28	-	-	-	
<b>Related person</b>					
Director of subsidiary	-	1,572	-	-	
Total trade and other payables - related parties	<u>11,154</u>	<u>11,687</u>	<u>1,501</u>	<u>2,253</u>	
<b><u>Advance rental income - related party</u></b>					
<b>Associate</b>					
KTBST Mixed Freehold and Leasehold Real Estate					
Investment Trust	<u>1,167,031</u>	<u>1,208,931</u>	<u>-</u>	<u>-</u>	
<b><u>Other non-current liabilities - related party</u></b>					
<b>Associate</b>					
KTBST Mixed Freehold and Leasehold Real Estate					
Investment Trust	12,102	14,776	-	-	

### Short-term loans to related parties

As at 31 December 2023 and 2022, the balances of short-term loans to related parties and the movement are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at 31 December 2022	Increase during the year	Decrease during the year	Balance as at 31 December 2023
<b>Short-term loans to joint venture</b>				
Sinopower Company Limited	-	121,948	(91,948)	30,000
Total short-term loans to related party	-	121,948	(91,948)	30,000

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 31 December 2022	Increase during the year	Decrease during the year	Balance as at 31 December 2023
<b>Short-term loans to subsidiaries</b>				
ST Property and Logistics Company Limited	620,000	-	(129,500)	490,500
STIT Company Limited	-	10,000	(10,000)	-
<b>Short-term loans to joint venture</b>				
Sinopower Company Limited	-	81,948	(81,948)	-
Total short-term loans to related parties	620,000	91,948	(221,448)	490,500

### Long-term loans to related parties

As at 31 December 2023 and 2022, the balances of long-term loans to related parties and the movement are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Balance as at 31 December 2022	Increase during the year	Decrease during the year	Decrease from settlement by ordinary shares (Note 15)	Unrealised loss on exchange
<b>Long-term loans to joint ventures</b>					
Impact Energy Asia Development Limited	-	6,555	-	-	(194)
Impact Monsoon Holdings Limited	-	488,097	(263,020)	(225,077)	-
Total long-term loans to related parties	-	494,652	(263,020)	(225,077)	(194)

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at		Unrealised	Balance as at
	31 December	Increase	Decrease	31 December
	2022	during the year	during the year	2023
<b>Long-term loans to subsidiaries</b>				
WPGE Phetchaburi Company Limited	1,133,250	9,200	-	1,142,450
ST Clean Planet (Asia) Limited	-	2,010,954	(242,690)	1,738,953
<b>Long-term loans to joint venture</b>				
Impact Energy Asia Development Limited	-	6,555	-	6,361
Total	1,133,250	2,026,709	(242,690)	2,887,764
Less: Allowance for expected credit losses	-			(8,130)
Total long-term loans to related parties	1,133,250			2,879,634

**Short-term loans from subsidiaries**

As at 31 December 2023 and 2022, the balances of short-term loans from subsidiaries and the movement are as follows:

(Unit: Thousand Baht)

	Separate financial statements		
	Balance as at		Balance as at
	31 December	Increase	31 December
	2022	during the year	2023
<b>Short-term loans from subsidiaries</b>			
STIT Company Limited	-	50,000	50,000
STP&I Services Company Limited	-	100,000	100,000
Fill Up Network Company Limited	-	109,000	109,000
Total short-term loans from subsidiaries	-	259,000	259,000

**Directors and management's benefits**

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Short-term employee benefits	34,621	32,016	33,306	30,873
Post-employment benefits	1,870	2,028	1,636	1,826
Other long-term benefits	24	29	22	24
Total	36,515	34,073	34,964	32,723

## 7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash	180	250	65	89
Bank deposits	261,077	329,563	167,288	233,445
Total	<u>261,257</u>	<u>329,813</u>	<u>167,353</u>	<u>233,534</u>

As at 31 December 2023, bank deposits carried interest at rates between 0.05 to 0.60 percent per annum (2022: between 0.04 to 0.50 percent per annum).

## 8. Other current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Debt instruments which are measured at amortised cost</b>				
Debentures	223,332	276,249	223,332	276,249
<b>Debt instruments which are measured at fair value through profit or loss</b>				
Investments in general fixed income fund	396,379	1,392,982	381,917	1,153,107
<b>Equity instruments which are measured at fair value through profit or loss</b>				
Equity instruments with quoted market prices	54,451	100,044	54,451	100,044
<b>Derivative instruments measured at fair value through profit and loss</b>				
Warrant	-	36	-	36
<b>Total other current financial assets</b>	<u>674,162</u>	<u>1,769,311</u>	<u>659,700</u>	<u>1,529,436</u>

During the current year, the Group received dividends from investments in general fixed income fund and equity instruments of Baht 6 million (2022: Baht 11 million) (The Company only: Baht 5 million, 2022: Baht 8 million).

## 9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Trade receivables - related parties (Note 6)</u></b>				
Aged on the basis of due dates				
Not yet due	1,113	4,244	5	-
Past due				
Up to 3 months	963	4,189	73	-
Over 3 months	-	193	-	-
Total trade receivables - related parties	2,076	8,626	78	-
Less: Allowance for expected credit losses	(14)	(130)	-	-
Total trade receivables - related parties, net	2,062	8,496	78	-
<b><u>Trade receivables - unrelated parties</u></b>				
Aged on the basis of due dates				
Not yet due	419,760	401,010	398,607	378,995
Past due				
Up to 3 months	212,123	276,213	191,143	270,237
3 - 6 months	1,376	10,747	63	10,173
6 - 12 months	122,095	7,481	121,281	5,637
Over 12 months	46,674	4,114	42,639	51
Total	802,028	699,565	753,733	665,093
Less: Allowance for expected credit losses	(11,307)	(5,104)	(6,355)	(5)
Total trade receivables - unrelated parties, net	790,721	694,461	747,378	665,088
Total trade receivables - net	792,783	702,957	747,456	665,088
<b><u>Other receivables</u></b>				
Other receivables and advance to related parties (Note 6)	3,584	17,743	7,165	933
Other receivables and advance to unrelated parties	29,178	29,567	566	330
Accrued interest income - related parties (Note 6)	49	-	119,640	96,552
Accrued interest income - unrelated parties	4,049	6,719	3,315	6,012
Accrued income - related party (Note 6)	2,970	3,230	-	318
Accrued income - unrelated parties	712	802	-	303
Total other receivables	40,542	58,061	130,686	104,448
Total trade and other receivables - net	833,325	761,018	878,142	769,536

Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	5,234	4,380	5	5
Provision for expected credit losses	6,441	912	6,350	-
Written off	(354)	(58)	-	-
Balance at end of year	<u>11,321</u>	<u>5,234</u>	<u>6,355</u>	<u>5</u>

## 10. Contract assets/Contract liabilities

### 10.1 Contract balances

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Contract assets</b>				
Unbilled receivables	1,034,022	584,545	1,034,022	584,545
Retention receivables	290,046	120,396	290,046	120,396
<b>Total contract assets</b>	<u>1,324,068</u>	<u>704,941</u>	<u>1,324,068</u>	<u>704,941</u>
<b>Contract liabilities</b>				
Advances received from customers	40,363	106,139	34,188	92,170
<b>Total contract liabilities</b>	<u>40,363</u>	<u>106,139</u>	<u>34,188</u>	<u>92,170</u>

The balance of unbilled receivables as at 31 December 2023 and 2022, aged on the basis of period until they are expected to be billed to customers in the future, can be summarised as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Expected billing period				
In up to 3 months	958,969	349,980	958,969	349,980
In over 3 months and up to 12 months	75,053	216,515	75,053	216,515
In over 1 year	-	18,050	-	18,050
Total unbilled receivables	<u>1,034,022</u>	<u>584,545</u>	<u>1,034,022</u>	<u>584,545</u>



## 10.2 Revenue recognised in relation to contract balances

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue recognised during the year that was included in contract liabilities at the beginning of the year	64,400	164,791	56,588	162,259
Revenue recognised during the year from performance obligations satisfied in previous years	524,324	58,096	524,324	58,096

## 10.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2023, revenue totaling Baht 2,381 million is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (2022: Baht 2,398 million). The Company expects to satisfy these performance obligations within 1 year.

## 11. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Reduce cost to net					
	Cost		realisable value		Inventories - net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Finished goods	59,734	65,423	(4,803)	(5,016)	54,931	60,407
Spare parts and factory supplies	183,317	231,257	(13,360)	(16,834)	169,957	214,423
Goods in transit	798	1,308	-	-	798	1,308
Total	<u>243,849</u>	<u>297,988</u>	<u>(18,163)</u>	<u>(21,850)</u>	<u>225,686</u>	<u>276,138</u>

	(Unit: Thousand Baht)					
	Separate financial statements					
	Reduce cost to net					
	Cost		realisable value		Inventories - net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Spare parts and factory supplies	121,657	153,471	(3,971)	(7,906)	117,686	145,565
Total	<u>121,657</u>	<u>153,471</u>	<u>(3,971)</u>	<u>(7,906)</u>	<u>117,686</u>	<u>145,565</u>

During the current year, the Group reduced cost of inventories by Baht 4 million (2022: Baht 6 million) (The Company only: Baht 1 million, 2022: Nil), to reflect the net realisable value. This was included in expenses during the current year. In addition, the Group reversed the write-down of cost of inventories by Baht 7 million (2022: Baht 23 million) (The Company only: Baht 5 million, 2022: Baht 17 million), and reduced the amount of inventories recognised as expenses during the year.

## 12. Other current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Refundable value added tax	34,193	33,164	13,824	21,573
Withholding tax	15,504	40,671	11,961	37,480
Prepaid expenses	15,585	13,659	12,469	10,420
Derivative assets	1,588	72,156	1,561	72,048
Others	9,225	5,258	1,827	64
Total other current assets	<u>76,095</u>	<u>164,908</u>	<u>41,642</u>	<u>141,585</u>

## 13. Restricted bank deposits

These balances represent bank deposits of the Group which pledged to secure credit facilities.

## 14. Other non-current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Debt instruments which are measured at</b>				
<b>amortised cost</b>				
Debentures	110,000	180,000	10,000	80,000
<b>Debt instruments which are measured at fair</b>				
<b>value through profit or loss</b>				
Structured note	66,987	63,280	66,987	63,280
<b>Equity instruments which are measured at</b>				
<b>fair value through other comprehensive income</b>				
Equity instruments with quoted market prices	45,936	179,471	45,856	179,391
Investment in real estate investment trust	40,000	39,000	40,000	39,000
<b>Total other non-current financial assets</b>	<u>262,923</u>	<u>461,751</u>	<u>162,843</u>	<u>361,671</u>

During the current year, the Group received dividends from investments in equity instruments of Baht 16 million (2022: Baht 19 million) (The Company only: Baht 16 million, 2022: Baht 19 million).

## 15. Investments in subsidiaries

15.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		(Unit: Thousand Baht) Cost	
	2023	2022	2023	2022	2023	2022
			(%)	(%)		
STIT Company Limited	135,000	135,000	100	100	135,000	135,000
STP&I Services Company Limited	410,000	410,000	100	100	21,761	21,761
ST Property and Logistics Company Limited	440,000	440,000	100	100	440,000	440,000
Fill Up Network Company Limited	500,000	500,000	100	100	422,450	422,450
Cannatory Company Limited	5,000	5,000	100	100	5,000	5,000
ST Clean Planet (Asia) Limited	1	-	100	-	1	-
ST Evolution Pte. Ltd.	26	-	100	-	26	-
ST Clean Planet Company Limited	1,000	-	100	-	1,000	-
Total					1,025,238	1,024,211
Less: Allowance for impairment loss*					(194,277)	(194,277)
Investments in subsidiaries - net					830,961	829,934

\* Allowance for impairment loss is an allowance for the investments in Fill Up Network Company Limited.

- a) During the current year, the Company received dividend from STIT Company Limited amounting to Baht 41 million (2022: Nil).
- b) On 20 January 2023, a meeting of the Company's Board of Directors passed a resolution approving the establishment of the following 3 subsidiaries:
  - ST Clean Planet (Asia) Limited was registered on 20 January 2023 and incorporated in Hong Kong Special Administrative Region of the People's Republic of China. This subsidiary is principally engaged as a holding company, with a registered share capital is HKD 100, comprising 100 ordinary shares of HKD 1 each, all of which were 100% called up. The Company invested HKD 100 in this subsidiary, representing a 100% shareholding.

- ST Evolution Pte. Ltd. was registered on 21 February 2023 and incorporated in the Republic of Singapore. This subsidiary is principally engaged as a holding company, with a registered share capital is SGD 1,000, comprising 1,000 ordinary shares of SGD 1 each, all of which were 100% called up. The Company invested SGD 1,000 in this subsidiary, representing a 100% shareholding.
  - ST Clean Planet Company Limited was registered on 27 February 2023 and incorporated in Thailand. This subsidiary is principally engaged as a holding company, with a registered share capital is Baht 1 million, comprising 100,000 ordinary shares of Baht 10 each, all of which were 100% called up. The Company invested Baht 1 million in this subsidiary, representing a 100% shareholding.
- c) On 14 June 2023, the Company's Board of Directors' meeting passed a resolution approving the dissolution of Cannatory Company Limited, a subsidiary principally engaged in hemp cultivation and propagation, production, and the distribution of hemp extract and components of hemp plant. The subsidiary registered its dissolution with the Ministry of Commerce on 18 July 2023. At present, the subsidiary is in the process of liquidating its business.
- d) On 12 April 2022, the Company's Board of Directors' meeting passed a resolution approving the purchase of 27,000 ordinary shares of Growth Warehouse Company Limited from the existing shareholder by ST Property and Logistics Company Limited (subsidiary) at a price of Baht 100 per share, or a total of Baht 2.7 million, representing 90% of its ordinary shares, to expand rental of real estates and logistics businesses. In April 2022, ST Property and Logistics Company Limited has already invested in this company.

The Group determined that the acquisition of the ordinary shares of Growth Warehouse Company Limited was an asset acquisition. The Group therefore recorded the difference between the cash payment for purchase of investment and the Growth Warehouse Company Limited's net asset value attributable to the Group, amounting to Baht 15,199, as investment properties.

The value of acquired assets and liabilities as at the acquisition date, based on the value allocated from the acquisition cost of the group of assets, and the cash payment made to purchase the investment in subsidiary are summarised below.

(Unit: Thousand Baht)	
Cash payment for purchase of investment in subsidiary	2,700
Value of assets and liabilities, based on value allocated from the acquisition cost of the group of assets	
Cash and cash equivalents	303
Other current assets	4,209
Investment properties	33,782
Current liabilities	(1,529)
Lease liabilities	(33,767)
Non-controlling interests	(298)
Total net assets	2,700
 Cash payment for purchase of investment in subsidiary	 2,700
Less: Cash and cash equivalents of subsidiary	(303)
Net cash paid for investment in subsidiary	2,397

On 17 May 2022, the Extraordinary Annual General Meeting of the shareholders of Growth Warehouse Company Limited passed a resolution to increase its registered share capital by Baht 47 million, through the issuance of 470,000 ordinary shares of Baht 100 each. ST Property and Logistics Company Limited Invested Baht 42.3 million in the increased share capital to maintain its existing shareholding in this company.

## 15.2 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Million Baht)						
Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit (loss) allocated to non-controlling interests during the year	
	2023	2022	2023	2022	2023	2022
	(%)	(%)				
<u>Held by subsidiary companies</u>						
WPGE Phetchaburi Company Limited	40	40	118	195	(77)	(46)
Growth Warehouse Company Limited	10	10	6	5	0.6	0.2

15.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling

Summarised information about financial position

(Unit: Million Baht)

	WPGE Phetchaburi Company Limited		Growth Warehouse Company Limited	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current assets	42	31	7	17
Non-current assets	1,383	1,510	346	252
Current liabilities	184	248	245	169
Non-current liabilities	1,161	1,152	50	49

Summarised information about comprehensive income

(Unit: Million Baht)

	Fill Up Network Company Limited		Growth Warehouse Company Limited	
	For the year ended	For the year ended	For the year ended	For the year ended
	<u>31 December 2023</u>	<u>31 December 2022</u>	<u>31 December 2023</u>	<u>31 December 2022</u>
Revenue	0.3	0.4	34	14
Profit (loss)	(61)	(115)	6	2

Summarised information about cash flow

(Unit: Million Baht)

	WPGE Phetchaburi Company Limited		Growth Warehouse Company Limited	
	For the year ended	For the year ended	For the year ended	For the year ended
	<u>31 December 2023</u>	<u>31 December 2022</u>	<u>31 December 2023</u>	<u>31 December 2022</u>
Cash flow from (used in)				
operating activities	(119)	(71)	37	12
Cash flow from (used in)				
investing activities	120	-	(153)	(92)
Cash flow from financing				
activities	1	71	121	81
Net increase in cash				
and cash equivalents	<u>2</u>	<u>-</u>	<u>5</u>	<u>1</u>

## 16. Investments in joint ventures

### 16.1 Details of investments in joint ventures

Investments in joint ventures represent investments in entities which are jointly controlled by the Company and other companies. Details of these investments are as follows:

				(Unit: Thousand Baht)			
Joint ventures	Nature of business	Shareholding percentage		Consolidated financial statements		Separate financial statements	
		Carrying amounts		based on equity method		Cost	
		<u>2023</u> (%)	<u>2022</u> (%)	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Sinopower Company Limited	Renewable energy business	60	60	42,422	8,815	36,000	9,000
Impact Monsoon Holdings Limited	Holding company	49	-	1,139,295	-	-	-
				<u>1,181,717</u>	<u>8,815</u>	<u>36,000</u>	<u>9,000</u>

- a) In May 2022, the Company and Powervault (Thailand) Company Limited registered with the Ministry of Commerce the establishment of Sinopower Company Limited (“Sinopower”), which is principally engaged in the renewable energy business. Sinopower has a registered share capital of Baht 60 million (600,000 ordinary shares of Baht 100 each), 25% was called up. The Company invested Baht 9 million in Sinopower, representing 60% of its ordinary shares. The Company determined that this investment is investment in joint venture since the Company and Powervault (Thailand) Company Limited have joint control in Sinopower.

During the current year, Sinopower Company Limited called up an additional 75% of the issued shares, and the Company paid Baht 27 million for the shares.

- b) On 11 January 2023, a meeting of the Company's Board of Directors passed a resolution approving an investment of the Company and/or its subsidiaries in the 600-megawatt Monsoon Wind Power Project, which is operated by Monsoon Wind Power Company Limited ("MWPCCL") located in the Lao People's Democratic Republic. MWPCCL is principally engaged in the generation and distribution of electricity under a Power Purchase Agreement made with Vietnam Electricity, Vietnam. On 26 January 2023, ST Clean Planet (Asia) Limited (the subsidiary) acquired a 49% interest in the ordinary shares of Impact Monsoon Holdings Limited ("IMH"), a juristic entity registered in the Hong Kong Special Administrative Region of the People's Republic of China, from Earth Power Investment Limited, for a total investment of USD 25.87 million. As a result, the Group has an indirect shareholding of 15.87% in MWPCCL. The Group's management determined that the investment in IMH is investment in joint venture, since the subsidiary and Impact Electrons Development Holdings Pte. Ltd. have joint control over IMH. The excess of cash payment made to purchase the investment in joint venture and the value of acquired assets and liabilities as at the acquisition date is considered as rights to produce and sell electricity of MWPCCL.

During the current year, Impact Monsoon Holdings Limited ("IMH") issued and offered 6.60 million ordinary shares of USD 1 each to ST Clean Planet (Asia) Limited (the subsidiary) to settle the long-term loans of USD 6.60 million. In December 2023, IMH issued and offered 0.99 million ordinary shares of USD 1 each to the subsidiary. As a result, as at 31 December 2023, the subsidiary's investments in IMH amounted to USD 33.46 million, and accounts payable for purchase of investments amounted to USD 11.6 million.

In addition, in December 2023, the Company lent USD 0.19 million to Impact Energy Asia Development Limited, an indirect joint venture. The loans were provided to MWPCCL based on the shareholding percentage (Note 6).



## 16.2 Share of comprehensive income and dividend received

During the years, the Group has recognised its share of profit (loss) from investments in joint ventures in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Joint ventures	Consolidated financial statements				Separate financial statements	
	Share of profit (loss) from investments in joint ventures during the year		Share of other comprehensive income from investments in joint ventures during the year		Dividend received during the year	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Sinopower Company Limited	6,607	(185)	-	-	-	-
Impact Monsoon Holdings Limited	(35,823)	-	29,722	-	-	-
<b>Total</b>	<b>(29,216)</b>	<b>(185)</b>	<b>29,722</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 16.3 Summarised financial information about joint ventures

Summarised information about financial position

(Unit: Million Baht)

	Sinopower Company Limited		Impact Monsoon Holdings Limited	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current assets	38	6	3	-
Non-current assets	145	9	513	-
Current liabilities	(40)	-	(1)	-
Non-current liabilities	(72)	-	-	-
<b>Net assets</b>	<b>71</b>	<b>15</b>	<b>515</b>	<b>-</b>
Shareholding percentage (%)	60	60	49	-
<b>Carrying amounts of joint ventures based on equity method</b>	<b>43</b>	<b>9</b>	<b>252</b>	<b>-</b>

## Summarised information about comprehensive income

(Unit: Million Baht)

	For the years ended 31 December			
	Sinopower Company Limited		Impact Monsoon Holdings Limited	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue	122	-	-	-
Expenses	(107)	-	(20)	-
Interest income	-	-	16	-
Interest expense	(3)	-	(74)	-
Income tax expense	(1)	-	-	-
Profit (loss)	11	-	(78)	-
Other comprehensive income	-	-	62	-
Total comprehensive income	11	-	(16)	-

## 17. Investments in associates

### 17.1 Details of associates

(Unit: Thousand Baht)

Associates	Consolidated financial statements					
	Shareholding percentage (%)		Cost		Carrying amounts based on equity method	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
KTBST Mixed Freehold and Leasehold						
Real Estate Investment Trust	29.27	29.27	882,078	882,078	765,218	804,918
Impact Solar Group Limited	50.00	-	1,001,824	-	1,002,309	-
			<u>1,883,902</u>	<u>882,078</u>	<u>1,767,527</u>	<u>804,918</u>

(Unit: Thousand Baht)

Associates	Separate financial statements			
	Shareholding percentage (%)		Cost	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
KTBST Mixed Freehold and Leasehold				
Real Estate Investment Trust	9.37	9.37	282,078	282,078
			<u>282,078</u>	<u>282,078</u>

- a) On 29 October 2021, the Company invested Baht 246 million in KTBST Mixed Freehold and Leasehold Real Estate Investment Trust ("KTBSTMR"), representing an 8.15% interest in the trust. Moreover, ST Property & Logistics Co., Ltd (the subsidiary) invested Baht 600 million in KTBSTMR, representing a 19.90% interest. As a result, the Company's shareholding in KTBSTMR is totaling 28.05%, and KTBSTMR is treated as an associated company. During November and December 2021, the Company invested Baht 30 million in KTBSTMR. As a result, the Company's shareholding in KTBSTMR is 9.18% and the Group's shareholding is 29.08%. Subsequently, in 2022 the Company invested Baht 5.6 million in KTBSTMR. As a result, the Company's shareholding in KTBSTMR is 9.37% and the Group's shareholding is 29.27%.
- b) On 1 November 2023, a meeting of the Company's Board of Directors passed a resolution approving an investment of the Company and/or its subsidiaries in 50% interest of Impact Solar Group Limited ("ISG"), which is a shareholder of both Impact Solar Group (Thailand) Limited ("ISGT") and Impact Solar Limited ("ISL"). Subsequently, on 21 November 2023, ST Clean Planet (Asia) Limited (the subsidiary) acquired ordinary shares of ISG from the existing shareholder, New Energy Investment Japan Limited ("NEIJ"), for a total investment of Baht 1,025 million, or equivalent to USD 29.27 million. The Group is in the process of measuring the fair values of the identifiable assets acquired and the liabilities assumed as at the acquisition date.

## 17.2 Share of comprehensive income and dividend received

During the years, the Company recognised its share of profit from investments in the associates in the consolidated financial statements and dividend income in the separate financial statements as follows:

Associates	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Share of profit from	Share of other comprehensive		
	investments in associates	income from investments in	Dividend received	
	during the year	associates during the year	during the year	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
KTBST Mixed Freehold and				
Leasehold Real Estate				
Investment Trust	22,241	28,148	-	-
			19,833	18,101
Impact Solar Group Limited	484	-	-	-
Total	22,725	28,148	-	-
			19,833	18,101

### 17.3 Fair value of investments in listed associate

As at 31 December 2023, the fair value of KTBST Mixed Freehold and Leasehold Real Estate Investment Trust in the consolidated and separate financial statements is Baht 578 million and Baht 185 million, respectively (2022: Baht 790 million and Baht 253 million, respectively).

### 17.4 Summarised financial information about associates

#### Summarised information about financial position

(Unit: Million Baht)

	KTBST Mixed Freehold and Leasehold		Impact Solar Group Limited	
	Real Estate Investment Trust		Impact Solar Group Limited	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current assets	245,160	235,095	462,247	-
Non-current assets	4,222,629	4,212,138	2,791,876	-
Current liabilities	(46,658)	(49,092)	(362,698)	-
Non-current liabilities	(1,320,612)	(1,302,235)	(1,571,481)	-
<b>Net assets</b>	<b>3,100,519</b>	<b>3,095,906</b>	<b>1,319,944</b>	<b>-</b>
Shareholding percentage (%)	29.27	29.27	50.00	-
<b>Share of net assets</b>	<b>907,522</b>	<b>906,172</b>	<b>659,972</b>	<b>-</b>
Elimination entries	(142,304)	(101,254)	-	-
<b>Carrying amounts of associates</b>				
<b>based on equity method</b>	<b>765,218</b>	<b>804,918</b>	<b>659,972</b>	<b>-</b>

#### Summarised information about comprehensive income

(Unit: Million Baht)

	For the years ended 31 December			
	KTBST Mixed Freehold and Leasehold		Impact Solar Group Limited	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue	367	356	599	-
Depreciation and amortisation	(98)	(77)	(447)	-
Interest income	1	1	-	-
Interest expenses	(64)	(47)	(75)	-
Income tax benefit	-	-	3	-
Profit (loss)	206	233	80	-
Other comprehensive income	-	-	-	-
Total comprehensive income	206	233	80	-

## 18. Investment properties

The net book value of investment properties as at 31 December 2023 and 2022 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land, buildings and warehouse		Office buildings	Land awaiting development	Total
	for rent	Community mall	for rent		
31 December 2023:					
Cost	2,478,137	1,679	1,697	319,717	2,801,230
Less: Accumulated depreciation	(49,738)	(911)	(926)	-	(51,575)
Net book value	<u>2,428,399</u>	<u>768</u>	<u>771</u>	<u>319,717</u>	<u>2,749,655</u>
31 December 2022:					
Cost	2,425,359	3,014	2,623	319,717	2,750,713
Less: Accumulated depreciation	(49,941)	(1,339)	(927)	-	(52,207)
Net book value	<u>2,375,418</u>	<u>1,675</u>	<u>1,696</u>	<u>319,717</u>	<u>2,698,506</u>

(Unit: Thousand Baht)

	Separate financial statements	
	<u>2023</u>	<u>2022</u>
Land for rent - cost	<u>349,215</u>	<u>349,215</u>

A reconciliation of the net book value of investment properties for the years 2023 and 2022 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	2,698,506	2,497,483	349,215	349,215
Acquisition of investment properties	105,423	212,697	-	-
Increase from investment in subsidiary	-	33,782	-	-
Disposals during year - net book value at disposal date	(2,699)	-	-	-
Depreciation for the year	<u>(51,575)</u>	<u>(45,456)</u>	<u>-</u>	<u>-</u>
Net book value at end of year	<u>2,749,655</u>	<u>2,698,506</u>	<u>349,215</u>	<u>349,215</u>

- 18.1 The Group had mortgaged its land, office buildings and warehouse for rent with a total net book value as at 31 December 2023 of Baht 870 million (2022: Baht 567 million) (The Company only: Baht 342 million, 2022: Baht 29 million) as collateral for credit facilities of its subsidiary granted by banks.
- 18.2 ST Hill Co., Ltd and ST Hub Co., Ltd (the subsidiaries) entered into land lease agreements with a company for terms of 30 years (2019 to 2049), with the subsidiaries able to renew the leases for further periods of 5 years upon expiration. The subsidiaries constructed a community mall for rent and office building for rent on the leased land and these are to be transferred to the landowner upon the expiry of the lease agreements.
- 18.3 On 8 November 2021, ST Property & Logistics Co., Ltd., ST Hill Co., Ltd. and ST Hub Co., Ltd. (the subsidiaries) transferred leasehold rights and/or sub-leasehold rights to the KTBST Mixed Freehold and Leasehold Real Estate Investment Trust ("KTBSTMR"). The details are as follows:
- a) ST Property & Logistics Co., Ltd. entered into an agreement to lease land and buildings, including systems equipment, of the ST Bang Bo and ST Bang Pa-in Projects to KTBSTMR for a period of 30 years. KTBSTMR paid Baht 1,257 million to ST Property & Logistics Co., Ltd. for these leasehold rights.
  - b) ST Hill Co., Ltd. entered into an agreement to sublease land and lease buildings, including systems equipment, of the Summer Hill Project to KTBSTMR for a period of 30 years. KTBSTMR paid approximately Baht 651 million to ST Hill Co., Ltd. for this leasehold right.
  - c) ST Hub Co., Ltd. entered into an agreement to sublease land and lease buildings, including systems equipment, of the Summer Hub Project to KTBSTMR for a period of 30 years. KTBSTMR paid approximately Baht 417 million to ST Hub Co., Ltd. for this leasehold right.
  - d) ST Property & Logistics Co., Ltd., ST Hill Co., Ltd. and ST Hub Co., Ltd. registered their properties as collateral to guarantee their performance throughout the term of their lease and/or sublease properties to KTBSTMR.

The Group considered that the subleases of investment properties of ST Hill Co., Ltd. and ST Hub Co., Ltd. are sales of assets.

The Group presented the cash received for the leasehold rights of ST Property & Logistics Co., Ltd., (the subsidiary) as advance rental income in the consolidated statement of financial position.

18.4 The fair value of the investment properties as at 31 December 2023 and 2022 stated below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
The fair value of land for rent	329,737	329,737	401,727	401,727
The fair value of land, buildings and warehouse for rent	2,536,991	2,536,991	-	-

The fair value of the above investment properties has been determined based on valuation performed by an accredited independent valuer. The fair value of the land for rent has been determined based on market prices, while the fair value of other investment properties has been determined using the income approach. Key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

## 19. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements								
	Land and land improvements	Buildings and construction	Machinery, tools and equipment	Office equipment, furniture and fixtures	Motor vehicles	Right-of-use assets (Note 24)	Assets under installation and under construction	Total
<b>Cost:</b>								
1 January 2022	379,880	1,877,901	1,673,118	238,466	119,725	335,286	1,443,740	6,068,116
Additions	-	1,123	62,505	7,853	960	3,334	1,866	77,641
Disposals	(1,915)	-	(78,340)	(1,485)	(620)	(3,084)	(7,971)	(93,415)
Transfers in (out)	-	-	2,395	8	-	-	(2,403)	-
31 December 2022	377,965	1,879,024	1,659,678	244,842	120,065	335,536	1,435,232	6,052,342
Additions	17,615	10,823	9,041	1,682	18	6,620	3,603	49,402
Disposals	-	(23,688)	(26,176)	(2,365)	(598)	-	(912)	(53,739)
Decrease resulting from the final outcome of the dispute (Note 20)	-	-	-	-	-	-	(120,598)	(120,598)
Transfers in (out)	305	4,126	(58)	58	-	-	(4,431)	-
31 December 2023	395,885	1,870,285	1,642,485	244,217	119,485	342,156	1,312,894	5,927,407
<b>Accumulated depreciation:</b>								
1 January 2022	110,829	1,503,980	1,470,498	215,890	101,841	207,937	-	3,610,975
Depreciation for the year	2,602	40,925	60,633	9,031	4,071	21,731	-	138,993
Depreciation on disposals	(939)	-	(47,763)	(1,423)	(620)	(1,681)	-	(52,426)
31 December 2022	112,492	1,544,905	1,483,368	223,498	105,292	227,987	-	3,697,542
Depreciation for the year	3,895	39,835	50,170	9,819	3,564	19,083	-	126,366
Depreciation on disposals	-	(21,597)	(24,750)	(2,302)	(323)	-	-	(48,972)
Transfers in	-	-	4,169	-	-	-	-	4,169
31 December 2023	116,387	1,563,143	1,512,957	231,015	108,533	247,070	-	3,779,105
<b>Allowance for impairment loss:</b>								
1 January 2022	-	-	34,683	-	-	-	-	34,683
Decrease from disposals	-	-	(29,944)	-	-	-	-	(29,944)
31 December 2022	-	-	4,739	-	-	-	-	4,739
Transfers out	-	-	(4,169)	-	-	-	-	(4,169)
31 December 2023	-	-	570	-	-	-	-	570
<b>Net book value:</b>								
31 December 2022	265,473	334,119	171,571	21,344	14,773	107,549	1,435,232	2,350,061
31 December 2023	279,498	307,142	128,958	13,202	10,952	95,086	1,312,894	2,147,732
<b>Depreciation for the year</b>								
2022								138,993
2023								126,366



(Unit: Thousand Baht)

Separate financial statements								
	Land and improvements	Buildings and construction	Machinery, tools and equipment	Office equipment, furniture and fixtures	Motor vehicles	Right-of-use assets (Note 24)	Assets under installation and under construction	Total
<b>Cost:</b>								
1 January 2022	310,140	1,623,646	1,366,651	212,548	105,835	143,698	3,135	3,765,653
Additions	-	611	66,191	7,569	960	2,419	1,868	79,618
Disposals	-	-	-	(1,375)	(620)	-	-	(1,995)
Transfer in (out)	-	-	2,395	8	-	-	(2,403)	-
31 December 2022	310,140	1,624,257	1,435,237	218,750	106,175	146,117	2,600	3,843,276
Additions	17,615	10,823	7,032	1,576	-	-	3,603	40,649
Disposals	-	(19,972)	(4,815)	(2,295)	(598)	-	-	(27,680)
Transfer in (out)	305	4,126	(58)	58	-	-	(4,431)	-
31 December 2023	328,060	1,619,234	1,437,396	218,089	105,577	146,117	1,772	3,856,245
<b>Accumulated depreciation:</b>								
1 January 2022	102,930	1,402,982	1,237,345	197,309	89,086	95,214	-	3,124,866
Depreciation for the year	1,936	27,124	34,772	5,309	3,216	11,220	-	83,577
Depreciation on disposals	-	-	-	(1,354)	(619)	-	-	(1,973)
31 December 2022	104,866	1,430,106	1,272,117	201,264	91,683	106,434	-	3,206,470
Depreciation for the year	3,729	27,472	33,404	6,643	3,212	11,420	-	85,880
Depreciation on disposals	-	(18,365)	(4,774)	(2,256)	(323)	-	-	(25,718)
31 December 2023	108,595	1,439,213	1,300,747	205,651	94,572	117,854	-	3,266,632
<b>Net book value:</b>								
31 December 2022	205,274	194,151	163,120	17,486	14,492	39,683	2,600	636,806
31 December 2023	219,465	180,021	136,649	12,438	11,005	28,263	1,772	589,613
<b>Depreciation for the year</b>								
2022								83,577
2023								85,880

A waste-to-energy plant under construction of WPGE Phetchaburi Company Limited (a subsidiary), which net book value as at 31 December 2023 of Baht 1,355 million (2022: Baht 1,481 million), was temporarily suspended in 2019 as discussed in Note 20 to the financial statements.

As at 31 December 2023, certain items of plant, machinery and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 2,965 million (2022: Baht 2,773 million) (The Company only: Baht 2,642 million, 2022: Baht 2,525 million).

The Group have pledged land with structures thereon with total net book values as at 31 December 2023 amounting to approximately Baht 376 million (2022: Baht 398 million) (The Company only: Baht 197 million, 2022: Baht 206 million) as collateral against credit facilities received from commercial banks.

As at 31 December 2023, plant and equipment of the Company with net book values totaling Baht 96 million (2022: Baht 89 million) are located on land under lease agreements which expired during the year 2020. The Company is negotiating with the landlord to extend the terms of these land lease agreements.

In the consolidated financial statements for the year 2023, depreciation of Baht 120 million was recorded under cost of sales and services, cost of rental of property, factory overhead not allocated to cost of fabrication work and cost of fabrication work (2022: Baht 111 million) (Separate financial statements: Baht 73 million, 2022: Baht 72 million). The balance was recorded in selling and distribution expenses and administrative expenses.

## 20. Rights to produce and sell electricity from municipal waste

The net book value of rights to produce and sell electricity from municipal waste as at 31 December 2023 and 2022 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
Cost	933,829	933,829
Less: Allowance for impairment loss	(663,531)	(499,531)
Net book value	<u>270,298</u>	<u>434,298</u>

In 2019, WPGE Phetchaburi Company Limited (a subsidiary, held by STP&I Services Company Limited) temporarily suspended the construction of a waste-to-energy plant due to a dispute with the design and construction contractors, which resulted in production and distribution of electricity falling behind schedule and the need to rectify the power plant to make it fit for purpose and its intended use. During the current year, the case was finalised as discussed in Note 36.5 to the financial statements. Currently, the subsidiary is seeking an expert to rectify the power plant to make it fit for purpose and its intended use. On 15 September 2023, the subsidiary received compensation of Baht 68 million from the contractors. Furthermore, the subsidiary recorded a reduction of Baht 121 million in the value of the power plant under construction to align with the award rendered by the Arbitral Tribunal.

As at 31 December 2023 and 2022, the Group considered whether rights to produce and sell electricity from municipal waste were impaired. The Group determined the recoverable amounts based on value in use, using cash flow projections determined based on financial estimates approved by management.

Key assumptions used in value in use calculations are as follows:

	(Unit: Percent per annum)	
	<u>2023</u>	<u>2022</u>
After-tax discount rate	11	9
Growth rate	3	3

During the current year, the Group recorded impairment loss on rights to produce and sell electricity from municipal waste amounting to Baht 164 million. Management has considered the above and believes that allowance for impairment loss, which was recorded, is appropriate.

## 21. Short-term loans from financial institutions

	Interest rate		(Unit: Thousand Baht)			
			Consolidated		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(% per annum) (% per annum)					
Promissory note	3.00 - 3.97	-	893,000	-	693,000	-
Total			893,000	-	693,000	-

The Group's bank overdraft and credit facilities from financial institutions are secured by the Group's fixed deposits as discussed in Note 13 to the financial statements and the mortgage some of the Group's land with structures thereon as discussed in Note 19 to the financial statements, and are guaranteed by the Group.

As at 31 December 2023, the bank overdraft of the Group which has not yet been drawn down amounted to Baht 75 million (2022: Baht 75 million).

During the current year, the Company was granted the credit facilities totaling Baht 1,085 million by a bank. The credit facilities are secured by the Company's investment properties. As at 31 December 2023, the Company has drawn down the loans amounting to Baht 665 million.

## 22. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables - related parties (Note 6)	-	-	1,479	2,253
Trade payables - unrelated parties	352,007	312,036	322,944	299,823
Other payables - related party (Note 6)	459	3,947	22	-
Other payables - unrelated parties	96,839	154,971	2,327	8,886
Accounts payable for purchase of investments (Note 16)	396,847	-	-	-
Retention payable - related party (Note 6)	9,342	4,468	-	-
Retention payable - unrelated parties	62,017	33,169	59,825	30,339
Dividend payable	7,283	7,285	7,283	7,285
Accrued expenses - related party (Note 6)	1,353	3,272	-	-
Accrued expenses - unrelated parties	60,679	63,905	52,095	57,848
Total trade and other payables	<u>986,826</u>	<u>583,053</u>	<u>445,975</u>	<u>406,434</u>

## 23. Long-term loans from financial institutions

(Unit: Thousand Baht)

Loan	Interest rate (%)	Repayment schedule	Consolidated		Separate	
			financial statements		financial statements	
			<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
1	Fixed rates for the first to fourth years and at THBFIX plus a margin or a fixed rate from the fifth to eleventh years	Quarterly installments with full settlement due within March 2029	195,056	225,560	-	-
2	Fixed rates for the first to fifth years and at THBFIX plus a margin or a fixed rate from the sixth to seventh years	Monthly installments with full settlement due within October 2026	404,000	548,000	404,000	548,000
Total			599,056	773,560	404,000	548,000
Less: Current portion			(175,980)	(174,504)	(144,000)	(144,000)
Long-term loans - net of current portion			423,076	599,056	260,000	404,000

Movement of the long-term loans account during the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	773,560	945,604	548,000	692,000
Repayment during the year	(174,504)	(172,044)	(144,000)	(144,000)
Balance at end of year	599,056	773,560	404,000	548,000

The loans of the Group are secured by the Company's land with structures thereon, as discussed in Note 19 to the financial statements and the mortgage of land, office buildings and warehouse for rent of subsidiary, as discussed in Note 18 to the financial statements.

The loan agreements contain several covenants which, among other things, require the Company and its subsidiary to maintain a debt-to-equity ratio and a debt service coverage ratio at the rates prescribed in the agreements.

## 24. Leases

### 24.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 32 years.

#### a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land	Buildings	Motor vehicles	Machinery and equipment	Total
1 January 2022	38,087	31,376	11,656	46,230	127,349
Additions	914	2,420	-	-	3,334
Disposals	-	-	-	(1,403)	(1,403)
Depreciation for the year	(5,253)	(5,628)	(4,854)	(5,996)	(21,731)
31 December 2022	33,748	28,168	6,802	38,831	107,549
Additions	-	-	6,620	-	6,620
Depreciation for the year	(5,080)	(6,165)	(2,883)	(4,955)	(19,083)
31 December 2023	28,668	22,003	10,539	33,876	95,086

(Unit: Thousand Baht)

	Separate financial statements			
	Land	Buildings	Motor vehicles	Total
1 January 2022	9,460	30,972	8,052	48,484
Additions	-	2,419	-	2,419
Depreciation for the year	(3,596)	(5,627)	(1,997)	(11,220)
31 December 2022	5,864	27,764	6,055	39,683
Depreciation for the year	(3,466)	(6,165)	(1,789)	(11,420)
31 December 2023	2,398	21,599	4,266	28,263

The movements of right-of-use assets exclude the right-of-use assets which are classified as investment properties which are presented in Note 18 to the financial statements.

**b) Lease liabilities**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Lease payments	334,774	360,579	29,252	41,600
Less: Deferred interest expenses	(66,473)	(71,593)	(2,367)	(3,997)
Total lease liabilities	268,301	288,986	26,885	37,603
Less: Portion due within one year	(17,906)	(26,155)	(9,131)	(10,718)
Lease liabilities - net of current portion	250,395	262,831	17,754	26,885

A maturity analysis of lease payments is disclosed in Note 38.2 to the financial statements under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation of right-of-use assets	19,083	21,731	11,420	11,220
Interest expenses on lease liabilities	5,414	5,340	1,440	1,959

**d) Others**

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 31 million (2022: Baht 26 million) (The Company only: Baht 10 million 2022: Baht 12 million), including the cash outflow related to short-term leases, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

## 24.2 Group as a lessor

The Group has entered into operating leases for its investment property portfolio consisting of buildings and warehouse, community mall and office buildings (see Note 18) of the lease terms are between 12 - 30 years.

The Group has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2023 and 2022 as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Within 1 year	87,736	82,080	-	-
Over 1 and up to 5 years	248,225	266,539	-	-
Over 5 years	79,443	136,853	-	-
Total	415,404	485,472	-	-

## 25. Provision for long-term employee benefits

Provision for long-term employee benefits comprised severance payment obligations and other long-term employee benefits, long service awards, as detailed below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Severance payment obligations	147,385	80,877	142,461	77,482
Long service awards	4,531	3,395	3,622	2,713
Total	151,916	84,272	146,083	80,195



25.1 Provision for long-term employee benefits, which represents compensations payable to employee after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Provision for long-term employee benefits at beginning of year</b>				
Included in profit or loss:				
Current service cost	80,878	65,596	77,482	61,945
Interest cost	31,579	22,307	30,650	21,370
	747	669	694	619
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	18,990	-	17,966	-
Financial assumptions changes	(535)	-	(521)	-
Experience adjustments	37,030	-	37,005	-
Benefits paid during the year	(21,304)	(7,695)	(20,815)	(6,452)
<b>Provision for long-term employee benefits at end of year</b>	<u>147,385</u>	<u>80,877</u>	<u>142,461</u>	<u>77,482</u>

25.2 Provision for other long-term employee benefit, which is long service awards, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Provision for long-term employee benefits at beginning of year</b>	3,395	3,258	2,712	2,580
Included in profit or loss:				
Current service cost	743	558	498	463
Interest cost	34	31	28	26
Actuarial (gain) loss arising from				
Demographic assumptions changes	654	-	417	-
Financial assumptions changes	(269)	-	(237)	-
Experience adjustments	530	-	608	-
Benefits paid during the year	(556)	(452)	(404)	(356)
<b>Provision for long-term employee benefits at end of year</b>	<u>4,531</u>	<u>3,395</u>	<u>3,622</u>	<u>2,713</u>

The Group expects to pay Baht 17 million of long-term employee benefits during the next year (The Company only: Baht 16 million) (2022: Baht 22 million, The Company only: Baht 21 million).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefits is 2 - 12 years (The Company only: 3 - 11 years) (2022: 1 - 12 years, The Company only: 3 - 10 years).

Significant actuarial assumptions are summarised below.

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	2.36 - 2.76	0.5 - 1.48	2.37 - 2.74	0.6 - 1.48
Salary increase rate	3.0 - 4.0	1.0 - 3.5	3.0 - 4.0	1.0 - 3.5
Employee turnover rate				
(depending on age of employees)	1.91 - 40.11	3.5 - 35.0	1.91 - 34.38	3.5 - 35.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	As at 31 December 2023			
	Consolidated financial statements		Separate financial statements	
	Increase 0.5 %	Decrease 0.5 %	Increase 0.5 %	Decrease 0.5 %
Discount rate	(2,989)	3,309	(2,804)	3,097
Salary increase rate	3,037	(2,806)	2,854	(2,642)
Employee turnover rate	(4,294)	4,701	(4,044)	4,406

(Unit: Thousand Baht)

	As at 31 December 2022			
	Consolidated financial statements		Separate financial statements	
	Increase 0.5 %	Decrease 0.5 %	Increase 0.5 %	Decrease 0.5 %
Discount rate	(1,845)	2,064	(1,695)	1,896
Salary increase rate	2,807	(2,542)	2,611	(2,367)
Employee turnover rate	(214)	216	(198)	199

## **26. Statutory reserve**

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

## **27. Share capital/Treasury shares**

As at 31 December 2022, there were 26,180,900 treasury shares (par value of Baht 0.25 each), representing 1.61 percent of the total number of shares issued, amounting to Baht 121 million (excluding costs associated with buying back the treasury shares). The treasury shares are to be resold through the Stock Exchange of Thailand between 3 April 2021 and 1 October 2023. In addition, the Company set aside the retained earnings of Baht 121 million as a reserve for the treasury shares, equal to the amount paid for the treasury shares, which must be maintained until all of the treasury shares are sold or its paid up share capital is reduced by canceling unsold treasury shares, as the case may be.

In September 2023, the Company sold 2,660,000 treasury shares at a total price of Baht 9.9 million. The Company recorded the resale price, which was lower than the purchase cost of the treasury shares of Baht 2.4 million, as a deduction from the premium on treasury shares. As a result, there has been 23,520,900 treasury shares (per value of Baht 0.25 each), representing 1.45 percent of the total number of shares issued.

On 29 September 2023, the Board of Director's meeting has a resolution approving the Company to decrease its registered and paid-up capital from Baht 406.21 million (1,624.83 million ordinary shares at par value of Baht 0.25 each) to Baht 400.33 million (1,601.31 million ordinary shares at par value of Baht 0.25 each) by writing off its repurchased shares that were not resold in the amount of Baht 5.88 million (23,520,900 ordinary shares at par value of Baht 0.25 each). The Company registered the decrease of its share capital with the Ministry of Commerce on 17 October 2023.

## 28. Expenses by nature

Significant expenses classified by nature are as follows:

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Salaries, wages and other employee benefits	1,505,933	1,405,921	1,457,398	1,357,898
Depreciation and amortisation	181,857	189,085	89,289	87,702
Construction materials and subcontractors	1,291,136	1,616,004	1,266,772	1,594,229
Utilities expenses	54,474	50,001	50,382	46,337
Repair and maintenance expenses	35,015	50,365	36,455	47,727
Professional service fees	18,356	56,256	9,029	4,356
Purchases of finished goods, spare parts and factory supplies	207,254	131,574	8,704	10,541
Changes in finished goods, spare parts and factory supplies	53,633	262,328	31,814	237,305

## 29. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Current income tax:</b>				
Current corporate income tax charge	16,740	10,172	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(21,716)	(4,230)	10,464	(15,529)
<b>Income tax expenses (benefit) reported in profit or loss</b>	<u>(4,976)</u>	<u>5,942</u>	<u>10,464</u>	<u>(15,529)</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax relating to				
Actuarial loss	(10,638)	-	(10,456)	-
Gain (loss) on investments in equity designated at fair value through other comprehensive income	(5,221)	(5,522)	(5,221)	(5,522)
	<u>(15,859)</u>	<u>(5,522)</u>	<u>(15,677)</u>	<u>(5,522)</u>

The reconciliation between accounting profit (loss) and income tax is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accounting profit (loss) before tax	119,633	(184,986)	357,187	(86,945)
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	23,927	(36,997)	71,437	(17,389)
Tax loss for the year which unrecognised to deferred tax assets	38,315	31,375	-	-
Utilisation of the tax benefits in the current year which unrecognised to deferred tax assets	(45,936)	(4,613)	(45,936)	(4,613)
Effects of:				
Non-deductible expenses	15,213	21,572	14,858	11,230
Additional expense deductions allowed	(3,756)	(1,994)	(2,983)	(1,355)
Exempted revenue	(32,739)	(3,401)	(26,912)	(3,402)
Total	(21,282)	16,177	(15,037)	6,473
Income tax expenses (benefit) reported in profit or loss	<u>(4,976)</u>	<u>5,942</u>	<u>10,464</u>	<u>(15,529)</u>

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Deferred tax assets</b>				
Allowance for expected credit losses	500	548	-	-
Allowance for diminution in value of inventories	2,838	2,789	-	-
Accumulated depreciation - plant, machinery and equipment	72,369	13,234	18,811	24,892
Trade and other payables				
(Difference from lease calculation method)	(114)	(218)	-	-
Provision for long-term employee benefits	30,208	22,937	29,217	21,864
Other provisions	613	912	-	-
Prepaid land rental expenses	9,246	9,548	-	-
Unrealised loss on changes in fair value of investments	2,456	5,607	1,799	5,402
Others	16,806	9,517	8,236	692
<b>Total</b>	<b>134,922</b>	<b>64,874</b>	<b>58,063</b>	<b>52,850</b>
<b>Deferred tax liabilities</b>				
Rights to produce and sell electricity from municipal waste	(54,060)	(86,860)	-	-
Gain on sales of investment properties	(198,251)	(132,978)	-	-
<b>Total</b>	<b>(252,311)</b>	<b>(219,838)</b>	<b>-</b>	<b>-</b>
<b>Deferred tax assets (liabilities) - net</b>	<b>(117,389)</b>	<b>(154,964)</b>	<b>58,063</b>	<b>52,850</b>
Deferred tax assets (liabilities) presented in the statements of financial position:				
Deferred tax assets	63,353	57,599	58,063	52,850
Deferred tax liabilities	(180,742)	(212,563)	-	-
	<b>(117,389)</b>	<b>(154,964)</b>	<b>58,063</b>	<b>52,850</b>

As at 31 December 2023, the Group has unused tax losses amounting to Baht 1,946 million (2022: Baht 1,714 million) (The Company only: Baht 1,231 million, 2022: Baht 1,027 million), on which deferred tax assets have not been recognised as the Group believes future taxable profits may not be sufficient to allow utilisation of the unused tax losses. The unused tax losses will expire by 2024 - 2028 (2022: 2023 - 2027).

### 30. Other income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Gain on changes in fair value of investments	39,927	-	44,122	-
Others	44,567	27,640	37,056	28,436
Total	84,494	27,640	81,178	28,436

### 31. Other expenses

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Loss on changes in fair value of investments	-	65,571	-	62,922
Impairment loss on rights to produce and sell electricity from municipal waste (Note 20)	164,000	-	-	-
Loss on sales of investments	23,702	22,612	25,377	23,164
Loss on exchange and derivatives	49,056	93,375	52,296	95,444
Others	-	443	-	-
Total	236,758	182,001	77,673	181,530

### 32. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest expenses on borrowings	40,713	31,538	28,850	23,761
Interest expenses on lease liabilities	5,414	5,340	1,440	1,959
Bank charges	15,505	1,309	14,706	878
Total	61,632	38,187	44,996	26,598

### 33. Earnings per share

Basic earnings (loss) per share is calculated by dividing profit (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, net of the treasury shares held by the Company.

The following table sets forth the computation of basic earnings (loss) per share:

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Profit (loss) for the year (Thousand Baht)	200,987	(144,905)	346,723	(71,417)
Weighted average number of ordinary shares (Thousand shares)	1,599,430	1,598,650	1,599,430	1,598,650
Earnings (loss) per share (Baht)	0.13	(0.09)	0.22	(0.04)

### 34. Segment information

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

For management purposes, the Group is organised into business units based on its products and services, with five reportable segments as follows:

- (a) Fabrication work for construction and industrial purpose
- (b) Sale of construction machines, and servicing of machinery and maintenance
- (c) Rental of property
- (d) Sale of electricity (As at 31 December 2023, the subsidiary has not yet sold electricity under the power purchase agreement, as discussed in Note 20 to the financial statements)
- (f) Production and distribution of hemp products (The subsidiary has not yet generated revenue. In addition, on 18 July 2023, the subsidiary registered its dissolution, as discussed in Note 15 of the financial statements.)

No operating segments have been aggregated to from the above reportable operating segment.



The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following table presents revenue and profit (loss) information regarding the Group's operating segments for the years ended 31 December 2023 and 2022.

	(Unit: Million Baht)									
	Fabrication		Sales and		Rental of		Elimination of		Consolidated	
	work (a)		services (b)		property (c)		inter-segment		financial	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue from external customers										
Revenue from domestic	291	857	611	326	125	108	-	-	1,027	1,291
Revenue from export	2,854	2,462	7	3	-	-	-	-	2,861	2,465
Total	3,145	3,319	618	329	125	108	-	-	3,888	3,756
Inter-segment revenues	-	-	9	12	-	-	(9)	(12)	-	-
Total revenues	<u>3,145</u>	<u>3,319</u>	<u>627</u>	<u>341</u>	<u>125</u>	<u>108</u>	<u>(9)</u>	<u>(12)</u>	<u>3,888</u>	<u>3,756</u>
Segment operating profit	<u>416</u>	<u>174</u>	<u>194</u>	<u>145</u>	<u>71</u>	<u>54</u>			681	373
Unallocated net expenses excluding income tax									(561)	(558)
Profit (loss) before income tax									120	(185)
Income tax benefit (expenses)									5	(6)
Equity attributable to non-controlling interests of the subsidiaries									76	46
Profit (loss) attributable to equity holders of the Company									<u>201</u>	<u>(145)</u>

## Geographic information

Revenue from external customers of the Group is based on locations of the customers as the following:

	(Unit: Million Baht)	
	For the years ended 31 December	
	<u>2023</u>	<u>2022</u>
Thailand	1,026	1,246
Japan	19	1,052
Spain	2,835	1,458
Others	8	-
Total	<u>3,888</u>	<u>3,756</u>

## **Major customers**

For the year 2023, the Group had revenue from three major customers amounting to Baht 3,355 million derived from the fabrication work for construction and industrial purpose segment and provision of services.

For the year 2022, the Group had revenue from two major customers amounting to Baht 3,359 million derived from the fabrication work for construction and industrial purpose segment.

### **35. Provident fund**

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group contributes to the fund monthly at the rate of 3 or 5 percent of employees' basic salary and its employees contribute to the fund monthly at the rate of 3, 5, 10 and 15 of basic salary. The fund, which is managed by Bangkok Capital Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The Group's contributions for the year 2023 amounting to Baht 3 million (The Company only: Baht 2 million) (2022: Baht 3 million, The Company only: Baht 2 million) were recognised as expenses.

### **36. Commitments and contingent liabilities**

#### **36.1 Capital commitments**

As at 31 December 2023, the Group had capital commitments of approximately Baht 2.8 million (2022: Baht 5 million), relating to power plant construction, land improvement, construction and improvement of factory buildings and acquisition of machinery.

#### **36.2 Machine and spare parts purchase contract**

As at 31 December 2023, a subsidiary had contract commitments in relation to the acquisition of machine and spare parts for sale amounting to EUR 0.2 million and JPY 0.02 million (2022: Baht 8 million, EUR 0.4 million, USD 0.4 million and JPY 51 million).

#### **36.3 Guarantee**

As at 31 December 2023, the Company and a joint operator had commitments in respect of guarantee for credit facilities of Sinopower Company Limited obtained from a financial institution amounting to Baht 44.6 million.

### **36.4 Bank guarantees**

As at 31 December 2023, there were outstanding bank guarantees of approximately Baht 287 million, USD 56 million and EUR 0.2 million (2022: Baht 198 million, USD 22 million and EUR 0.2 million) issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 221 million, USD 56 million and EUR 0.2 million (2022: Baht 124 million, USD 22 million and EUR 0.2 million) to guarantee contractual performance, Baht 33 million (2022: Baht 33 million) to guarantee performance as stipulated in the agreements and Baht 33 million (2022: Baht 41 million) to guarantee electricity use and others.

### **36.5 Dispute and litigation**

In 2016, WPGE Phetchaburi Co., Ltd. (a subsidiary) entered into contracts for the design and construction of a waste-to-energy plant with key contractors, and the construction was started in late 2016. However, due to non-compliant work, in 2019 the subsidiary seized the performance bonds of JPY 131 million and USD 0.4 million. Thereafter, the contractors filed a request for arbitration with the International Chamber of Commerce, claiming approximately Baht 158 million, JPY 352 million and USD 0.4 million, mainly for unpaid invoices and other costs. The arbitral tribunal was officially formed in November 2019. The subsidiary denied all allegations and filed counterclaims of approximately Baht 480 million, JPY 1,286 million and USD 4 million for damages resulting from the contractors' breaches. On 18 April 2023, the subsidiary received the partial award of the arbitral tribunal, which decided that both parties were jointly at fault. After offsetting each other, the contractors were ordered to pay damages plus interest to the subsidiary. However, the exact amount remains uncertain because both parties have a 30-day window from the date of the partial award received to review and notify the tribunal of any potential errors. Subsequently, on 24 July 2023, the subsidiary received a notification from the Arbitral Tribunal regarding the deliberation on opinions submitted by the parties. According to the tribunal's decision, the contractors are required to pay the subsidiary approximately Baht 62 million in net damages plus interest. However, both parties are negotiating the compensation for litigation fees. As a result, the final outcome of the dispute remains inconclusive. Subsequently, on 28 August 2023, the parties are negotiated the compensation for litigation fees, and both parties agreed to bear their own costs. They duly submitted necessary documents to the Arbitration Committee. On 15 September 2023, the subsidiary received compensation of Baht 68 million from the contractors, and the Arbitral Tribunal issued the final award on 24 October 2023. Thus, the case was final and conclusive.

In addition, in 2019, the subsidiary was sued by another civil contractor in the Civil Court of Thailand, with claims for unpaid invoices and damages of approximately Baht 180 million plus interest. The subsidiary denied all allegations and filed a counterclaim for approximately Baht 12 million plus interest for damages resulting from the contractors' breach. In October 2020, the Civil Court pronounced the judgment dismissing the contractor's case and ordered the contractor to pay for damages arising from breach of the agreement of Baht 7 million to the subsidiary, plus interest at the rate of 7.5% per annum thereon, from 7 November 2019 until full payment is made. The contractor filed an appeal in January 2021. Subsequently, on 18 January 2022, the Court of Appeal pronounced a judgment ordering the contractor to pay damages to the subsidiary of Baht 7 million, plus interest at the rate of 7.5% per annum from 7 November 2019 until 10 April 2021, and interest at a rate of 5% per annum from 11 April 2021 until full payment is made. However, on 5 April 2022, the contractor filed an appeal against the judgment of the Court of Appeal to the Supreme Court. On 22 March 2023, the Supreme Court granted the plaintiff approval to file and accepted the plaintiff's appeal for consideration. Currently, the case is being reviewed by the Supreme Court.

The management of the Group has carried out an assessment and is of the opinion that the subsidiary is not contractually and legally liable to the counterparties as claimed. Consequently, The litigation should not result in any material damage to the subsidiary and thus it is not necessary to set aside any provision for loss in the accounts.

### **36.6 Tax assessment**

- a) In May 2020, STIT 2011 Company Limited (a subsidiary) received a tax assessment notice for the year 2009 from the Revenue Department, assessing corporate income tax amounting to approximately Baht 37.9 million (including penalties and surcharges). The subsidiary submitted a letter appealing the assessment to the Tax Appeal Committee of the Revenue Department and the appeal is currently under consideration by the committee. Subsequently, in May 2023, the subsidiary received tax assessment notices for the years 2012 - 2013 from the Revenue Department, assessing corporate income tax and withholding income tax amounting to approximately Baht 135 million (including penalties and surcharges). The subsidiary submitted a letter appealing the assessment to the Tax Appeal Committee of the Revenue Department and the appeal is currently under consideration by the committee. The management of the Group believes that the assessment will have no significant impact on the subsidiary.
- b) In June 2018, the Company received a notice of assessment / collection of import duties and value-added tax from the Customs Department since the Office of the Board of Investment had issued an order revoking some of its tax privileges and benefits. Therefore, the Company was required to pay import duties for construction materials at rates applied at the date of import, including other related taxes and penalties.

In 2018, the Company recorded expenses regarding duty penalties as set out under the notice of assessment and paid the full amount in order to ensure eligibility for further appeal and prevent the accumulation of penalties pending the appeal. The Company then filed an appeal with the Office of the Board of Investment, the Customs Department and the Revenue Department, seeking to nullify an order revoking tax privileges and benefits and the tax assessment. The Office of the Board of Investment upheld its earlier decision on the revocation of certain tax privileges and benefits offered to the Company. The Company brought the case to the Central Administrative Court, requesting that the Office of the Board of Investment nullify its revocation order and the tax assessment. On 20 December 2022, the Central Administrative Court rendered a judgment revoking the Board of Investment's appeal decision, requiring that the appeal be reconsidered in accordance with the administrative proceedings. On 7 April 2023, the Company received a letter informing that the Appeal Subcommittee Office of the Board of Investment had issued a ruling upholding the original order of the Office of the Board of Investment on the revocation of certain tax privileges and benefits offered to the Company. The Company has the right to file a lawsuit with the Administrative Court within 90 days from the date of receipt of the letter. On 28 June 2023, the Company brought the case to the Central Administrative Court, requesting that the Office of the Board of Investment nullify its revocation order and the tax assessment. Currently, the case is being reviewed by the Court.

### 37. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

As at 31 December 2023				
Consolidated financial statements				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
Equity instruments	54	-	-	54
Debt instruments	-	463	-	463
Financial assets measured at FVOCI				
Equity instruments	86	-	-	86
Derivatives				
Foreign exchange forward contracts	-	1	-	1
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	2,867	2,867

(Unit: Million Baht)

As at 31 December 2022				
Consolidated financial statements				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
Equity instruments	100	-	-	100
Debt instruments	-	1,456	-	1,456
Financial assets measured at FVOCI				
Equity instruments	218	-	-	218
Derivatives				
Foreign exchange forward contracts	-	72	-	72
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	2,867	2,867

(Unit: Million Baht)

As at 31 December 2023				
Separate financial statements				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
Equity instruments	54	-	-	54
Debt instruments	-	449	-	449
Financial assets measured at FVOCI				
Equity instruments	86	-	-	86
Derivatives				
Foreign exchange forward contracts	-	1	-	1
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	402	402

(Unit: Million Baht)

As at 31 December 2022				
Separate financial statements				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
Equity instruments	100	-	-	100
Debt instruments	-	1,216	-	1,216
Financial assets measured at FVOCI				
Equity instruments	218	-	-	218
Derivatives				
Foreign exchange forward contracts	-	72	-	72
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	402	402

## 38. Financial instruments

### 38.1 Derivatives

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 3 to 12 months.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Derivative assets</b>				
Derivative assets not designated as hedging instruments				
Foreign exchange forward contracts	1,588	72,156	1,561	72,048
<b>Total derivative assets</b>	<u>1,588</u>	<u>72,156</u>	<u>1,561</u>	<u>72,048</u>
<b>Derivative liabilities</b>				
Derivatives liabilities not designated as hedging instruments				
Foreign exchange forward contracts	346	251	341	-
<b>Total derivative liabilities</b>	<u>346</u>	<u>251</u>	<u>341</u>	<u>-</u>

### 38.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise the following:

#### Financial assets

- Cash and cash equivalents
- Other current financial assets
- Trade and other receivables
- Loans to related parties
- Restricted bank deposits
- Other non-current financial assets

#### Financial liabilities

- Loans from financial institutions
- Trade and other payables
- Lease liabilities
- Loans from related parties

The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

The Group are exposed to credit risk primarily with respect to trade receivables, contract assets, loans, cash at banks and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.



### ***Trade receivables and contract assets***

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, outstanding trade receivables and contract assets are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

### ***Financial instruments and cash at banks***

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties. The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

### **Market risk**

There are two types of market risk comprising foreign currency risk and interest rate risk. The Group enters into a variety of derivatives to manage its risk exposure.

### ***Foreign currency risk***

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2023 and 2022, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Currency	Consolidated		Separate		Average exchange rate	
	financial statements		financial statements			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
<u>Financial assets</u>						
US dollar	65	55.9	64.8	55.9	34.2233	34.5624
Euro	0.1	0.1	0.1	0.1	38.0334	36.8274
Japanese yen	89.4	-	-	-	0.2423	0.2609

Currency	Consolidated		Separate		Average exchange rate	
	financial statements		financial statements			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
<u>Financial liabilities</u>						
US dollar	2.5	1.4	2.5	1.3	34.2233	34.5624
Japanese yen	82.9	3.6	-	1.9	0.2423	0.2609

Foreign exchange contracts outstanding are summarised below.

As at 31 December 2023				
Currency	Consolidated	Separate	Contractual	Contractual
	financial statements	financial statements	maturity date	exchange rate
	(Million)	(Million)		(Baht per 1 foreign currency unit)
<u>Sold amount</u>				
US dollar	3.1	3.1	4 March 2024 - 29 March 2024	34.34 - 34.63
<u>Bought amount</u>				
JPY	40.0	-	30 April 2024 - 7 May 2024	0.24
US dollar	0.7	0.7	12 February 2024 - 27 June 2024	34.09 - 35.25
As at 31 December 2022				
Currency	Consolidated	Separate	Contractual	Contractual
	financial statements	financial statements	maturity date	exchange rate
	(Million)	(Million)		(Baht per 1 foreign currency unit)
<u>Sold amount</u>				
US dollar	34.6	34.6	1 February 2023 - 13 June 2023	34.21 - 37.67
Euro	0.1	0.1	20 January 2023	37.18
<u>Bought amount</u>				
JPY	141.9	-	3 February 2023 - 18 April 2023	0.26 - 0.27
US dollar	0.1	-	5 July 2023	34.05

### *Foreign currency sensitivity*

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in the US dollar, Euro and Japanese yen exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities as at 31 December 2023 and 2022. The Group's exposure to foreign currency changes for all other currencies is not material.

Currency	2023		2022	
	Increase/decrease	Effect on profit before tax	Increase/decrease	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
US dollar	+1.00	21,394	+1.00	18,844
	- 1.00	(21,394)	- 1.00	(18,844)
Euro	+1.00	36	+1.00	30
	-1.00	(36)	-1.00	(30)
Japanese yen	+1.00	16	+1.00	(9)
	-1.00	(16)	-1.00	9

This information is not a forecast or prediction of future market conditions and should be used with care.

### ***Interest rate risk***

The Group's exposure to interest rate risk relates primarily to its interest-bearing cash at banks and short-term and long-term borrowings. However, because of most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the Group does not use derivatives to manage its interest rate risk.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate 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: Million Baht)

Consolidated financial statements												
	Fixed interest rates				Floating		Non-interest		Total		Interest rate	
	Within 1 year		1 - 4 years		interest rate		bearing				(% per annum)	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Financial assets</b>												
Cash and cash equivalents	3	3	-	-	226	310	32	17	261	330	0.05 - 0.06	0.04 - 0.50
Trade and other receivables	-	-	-	-	-	-	833	761	833	761	-	-
Retention receivables	-	-	-	-	-	-	290	120	290	120	-	-
Short-term loans to related party	30	-	-	-	-	-	-	-	30	-	4.00	-
Other current financial assets	437	799	-	-	237	-	-	970	674	1,769	2.07 - 9.50	1.53 - 9.03
Restricted bank deposits	63	62	-	-	-	-	-	-	63	62	0.50 - 0.90	0.20 - 0.50
Other non-current financial assets	100	-	-	-	163	-	-	462	263	462	6.90	-
Long-term loans to related parties	-	-	6	-	-	-	-	-	6	-	4.00	-
<b>Financial liabilities</b>												
Short-term loans from												
financial institutions	893	-	-	-	-	-	-	-	893	-	3.00 - 3.97	-
Trade and other payables	-	-	-	-	-	-	987	583	987	583	-	-
Long-term loans from												
financial institutions	12	144	-	24	587	606	-	-	599	774	Note 23	Note 23
Lease liabilities	18	26	250	263	-	-	-	-	268	289	2.25 - 9.29	2.11 - 9.29

(Unit: Million Baht)

Separate financial statements												
	Fixed interest rates				Floating		Non-interest		Total		Interest rate	
	Within 1 year		1 - 4 years		interest rate		bearing				(% per annum)	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Financial assets</b>												
Cash and cash equivalents	3	3	-	-	157	214	7	17	167	234	0.05 - 0.06	0.04 - 0.50
Trade and other receivables	-	-	-	-	-	-	878	770	878	770	-	-
Retention receivables	-	-	-	-	-	-	290	120	290	120	-	-
Short-term loans to related party	491	620	-	-	-	-	-	-	491	620	1.50	1.50
Other current financial assets	437	800	-	-	-	-	223	730	660	1,530	2.07 - 9.50	1.53 - 9.03
Restricted bank deposits	23	23	-	-	-	-	-	-	23	23	0.50 - 0.90	0.20 - 0.50
Other non-current financial assets	-	-	-	-	-	-	163	362	163	362	-	-
Long-term loans to related parties	-	-	2,880	1,133	-	-	-	-	2,880	1,133	4.50	4.50
<b>Financial liabilities</b>												
Short-term loans from												
financial institutions	693	-	-	-	-	-	-	-	693	-	3.00 - 3.97	-
Trade and other payables	-	-	-	-	-	-	446	406	446	406	-	-
Short-term loans from												
subsidiaries	259	-	-	-	-	-	-	-	259	-	4.50	-
Long-term loans from												
financial institutions	12	144	-	24	392	380	-	-	404	548	Note 23	Note 23
Lease liabilities	9	11	18	27	-	-	-	-	27	38	3.80 - 9.29	3.80 - 9.29

### Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on floating rate loans affected as at 31 December 2023 and 2022.

Currency	2023		2022	
	Increase/decrease	Effect on profit	Increase/decrease	Effect on profit
		before tax		before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Baht	+1.00	(1,152)	+1.00	(420)
	-1.00	1,152	-1.00	420
US dollar	+1.00	1,113	+1.00	1,256
	-1.00	(1,113)	-1.00	(1,256)

The above analysis has been prepared assuming that the amounts of the floating rate loans from and all other variables remain constant over one year. Moreover, the floating legs of loans from are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest receivable/payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions and should be used with care.

### Liquidity risk

The Group manages the liquidity risk by establishing a suitable short-term and long-term capital structure. In addition, the Group has a liquidity policy to ensure that it has sufficient liquidity for its current and future needs.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2023 and 2022 based on contractual undiscounted cash flows.

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 December 2023			
	Less than	1 to 5	Over	Total
	1 year	years	5 years	
<b>Non-derivatives</b>				
Short-term loans from financial institutions	893,000	-	-	893,000
Trade and other payables	986,826	-	-	986,826
Long-term loans from financial institutions	196,788	424,081	11,912	632,781
Lease liabilities	21,620	60,014	253,140	334,774
<b>Total non-derivatives</b>	<b>2,098,234</b>	<b>484,095</b>	<b>265,052</b>	<b>2,847,381</b>

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2022				
	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	583,053	-	-	583,053
Long-term loans from financial institutions	197,218	568,414	53,617	819,249
Lease liabilities	31,614	67,591	261,374	360,579
<b>Total non-derivatives</b>	<b>811,885</b>	<b>636,005</b>	<b>314,991</b>	<b>1,762,881</b>

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2023				
	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Short-term loans from financial institutions	693,000	-	-	693,000
Trade and other payables	445,975	-	-	445,975
Short-term loans from subsidiaries	259,000	-	-	259,000
Long-term loans from financial institutions	156,873	256,474	-	413,347
Lease liabilities	7,934	17,544	-	25,478
<b>Total non-derivatives</b>	<b>1,562,782</b>	<b>274,018</b>	<b>-</b>	<b>1,836,800</b>

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2022				
	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	406,434	-	-	406,434
Long-term loans from financial institutions	162,304	415,321	-	577,625
Lease liabilities	12,348	29,252	-	41,600
<b>Total non-derivatives</b>	<b>581,086</b>	<b>444,573</b>	<b>-</b>	<b>1,025,659</b>

### **38.3 Fair values of financial instruments**

The majority of the Group's financial instruments are short-term in nature and deposits at financial institutions and loans bear interest at rates that closed to the market interest rate, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates and forward rate of foreign currencies. The Group considers counterparty credit risk when determining the fair value of derivatives.

During the current year, there were no transfers within the fair value hierarchy.

### **39. Capital management**

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

As at 31 December 2023, the Group's debt-to-equity ratio was 0.6:1 (2022: 0.4:1) and the Company's debt-to-equity ratio was 0.3:1 (2022: 0.2:1).

### **40. Events after the reporting period**

40.1 In January 2024, Impact Monsoon Holdings Limited ("IMH") issued additional ordinary shares of USD 3.97 million. ST Clean Planet (Asia) Limited invested USD 1.95 million in these shares to maintain its existing shareholding.

40.2 On 21 February 2024, a meeting of the Board of Directors of the REIT Manager of KTBST Mixed Freehold and Leasehold Real Estate Investment Trust (an associate) passed a resolution to approve a distribution of Baht 0.1765 per unit trust from the operating results for a period as from 1 October 2023 to 31 December 2023. The Trust will pay the distribution to its unitholders on 21 March 2024.

### **41. Approval of the financial statements**

These financial statements were authorised for issue by the Company's authorised directors on 29 February 2024.

04

Attachment





# Appendix 1:

## Details of who was assigned the responsibility of overseeing the company's accounts.

Mr. Wasan Sonkaew

Age 48 Years

Finance & Accounting Section Manager

Subject	Description
Stock Holding	- None
Qualification	<ul style="list-style-type: none"> <li>- Master of Accountancy Kasetsart University, Bangkok</li> <li>- Bachelor of Business Administration (Accounting) Rajamangala University of Technology Lanna</li> <li>- Orientation Course - CFO Focus on Financial Reporting Class 2/2018 (Federation of Accounting Professions Under The Royal Patronage of His Majesty The King &amp; The Securities and Exchange Commission, Thailand)</li> <li>- Effects of the New Financial Reporting Standards on Revenue from Customer Contracts (TFRS 15) and Leases (TFRS 16) on Financial Reporting (The Stock Exchange of Thailand)</li> <li>- Insight Financial management - Empower the business through professional financial management (The Stock Exchange of Thailand)</li> <li>- Transfer Pricing Act - The preparedness and prevention of the case are examined. (Investor Club Association)</li> </ul>
Experience	<ul style="list-style-type: none"> <li>- Revenue Department Officer Revenue Department / Chainat</li> <li>- Accounting Officer (General Ledger) STP&amp;I Plc.</li> </ul>
Relationship with other Executives	- None
Prohibited Qualifications/Committed an Offence	- None

## Appendix 2:

### Details of the Directors of the Subsidiary

Company Name  Name of Director	Subsidiary Company												
	STY Co., Ltd. (100% of Holding)	STY 201 Co., Ltd. (100% of Holding)	STHJ Service Co., Ltd. (100% of Holding)	WPKH Real Estate Co., Ltd. (100% of Holding)	ST Property & Logistics Co., Ltd. (100% of Holding)	PH Up Network Co., Ltd. (100% of Holding)	STHJ Co., Ltd. (By STPAJ) (100% of Holding)	STHJ Co., Ltd. (By STPAJ) (100% of Holding)	Cannery Co., Ltd.* (100% of Holding)	Growth Warehouse Co., Ltd. (80% of Holding)	ST Clean Market Co., Ltd. (100% of Holding)	ST Evolution Pos. Ltd. (100% of Holding)	ST Clean Market (Asia) (100% of Holding)
Air. Chantit Janchai									X				
Air. Muehewin Chamvachul	/ B				X	X			/				
Airs. Atkaya Chamvachul				/	/ B	/ B	/ H	/ B		/ R			
Air. Chonkrit Umpaich	/		/ B	X	/	/ B			/		/	/	/
LT. JG. Kitt Jungsang			/ B	/							/	/	/
Air. Thammamon Marit	/ B												
Airs. Anilak Nitsara				/ B	/ B		/ R	/ B	/ R	/ H			
Ais. Supalita Yongsang	/	/		/ B	/ H	/				/ H			

Remark : X = Chairman of the Board

/ = Director

// = Executive Director

\* Cannery Co., Ltd. ("CAN") (a wholly owned subsidiary of the Company) completed the registration of dissolution on July 18, 2023.



## Appendix 3:

### Details of the head of internal audit

Ms. Ramrada Khangrang

Age 42 Years

Internal Audit Manager

Subject	Description
Stock Holding	- None
Qualification	<ul style="list-style-type: none"> <li>- MBA, General Management Ramkhamhaeng University</li> <li>- BA, Accounting information system The University of the Thai chamber of commerce</li> <li>- ISO 9001:2018 Quality Management System</li> <li>- COSO 2013 Internal control frameworks</li> <li>- Risk Management</li> <li>- Smart Disclosure Program (SDP)</li> <li>- PDPA for Internal Auditing</li> </ul>
Experience	<ul style="list-style-type: none"> <li>- Internal Auditor <ul style="list-style-type: none"> <li>* Sino-Thai Engineering and construction Pcl.</li> </ul> </li> <li>- Senior internal Auditor <ul style="list-style-type: none"> <li>* Ananda Development Pcl</li> </ul> </li> <li>- Assistant Manager, Risk Management Section <ul style="list-style-type: none"> <li>* Ananda Development Pcl</li> </ul> </li> <li>- Assistant Vice President <ul style="list-style-type: none"> <li>* Origin Property Pcl.</li> </ul> </li> </ul>
Relationship with other Executives	- None
Prohibited Qualifications/Committed an Offence	- None

#### Duties and responsibilities of the head of internal audit

1. Supervise the performance of internal auditors and senior internal auditors in accordance with professional standards.
2. Define the objectives, goals and scope of the internal audit along with annual audit plans (Audit plan) proposed to top management (Managing Director) and the Audit Committee of the Company to consider and approve
3. Set performance standards and review the performance in accordance with the established standards.
4. Review processes as planned for the year and provide suggestions and consultation with relevant departments in the audit.
5. Prepare audit programs that are suitable for the company's time period.
6. Review the audit report and give suggestions for improvement before presenting the top management (Managing Director) and Audit Committee
7. Follow up the performance according to the audit plan, to improve work efficiency of the Internal Audit Department in providing services to the executives of various departments of the company
8. Follow up audit results of every process and report the progress of correction periodically.
9. Provide training to develop the potential of internal auditors at all levels to have the knowledge and ability for working to achieve the target and to have the performance appraisal at all levels in the internal audit department.
10. Providing advice, opinions and recommendations on guidelines for compliance with regulations, orders and internal controls with the examination departments
11. Perform special tasks as assigned by top management (Managing Director) and Audit Committee
12. Managing of the personal management and administrative management of the Internal Audit Department

## Appendix 4:

**Details about the property appraiser.**

- None -

# Appendix 5:

## Report of the Audit Committee for the year 2023

The Audit Committee of STP & I Public Company Limited which consists of a panel of experts that are independent experience and meet the requirements of the Stock Exchange of Thailand with Dr. Wicha Jiwalai Chairman of the Audit Committee, Police General Jate Mongkolhutthi and Miss Sirangrong Chowiwatana are Member of Audit Committee.

In 2023, the Audit Committee convened a total of seven meetings, all with a quorum present. The Audit Committee has performed their duties and responsibilities as assigned by the Board of Directors in accordance with the Audit Committee Charter in reviewing the Company's financial statements, related transactions, risk management, internal audit system and law compliance, as well as having discussion and exchanging ideas with the management and internal auditor, and meeting with the auditor without the management to discuss independently on important matters of the preparation of the financial statements and the annual audit plan. This is in line with the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) in its entirety.

**Summary of the duties of the Audit Committee are as follows.**

### 1. Review of Financial Statements

The Audit Committee reviewed the Quarterly and Annual Financial Statements 2023 of the Company and its subsidiaries and received clarification from the management and the Independent Auditor relating to the accuracy and the completeness of the financial statements, and the adequacy of information disclosure. Therefore, the Audit Committee agreed that the aforesaid financial statements are correct in all material respects in accordance with Thai Financial Reporting Standards; and the information disclosure in those financial statements is punctual, correct and complete.

### 2. Review The Structure of Good Corporate Governance

The Audit Committee has reviewed the good corporate governance structure. in accordance with the guidelines of the Stock Exchange of Thailand. The management structure consists of the Board of Directors, Sub-Committee and Executive Committee which clearly defines scope of work and responsibilities of each committee. Including being considered for approval of important policies that are reviewed annually. To announce and communicate to the Board of directors, managements and employees for general acknowledgment. Including, Risk Management Policy, Anticorruption Policy, Good practices on the receiving and giving gifts or other benefits, Personal Data Protection Policy, Inside Information Prevention and Securities Trading Policy etc.

### **3. Review of Risk Management and Internal Control System**

The Board of Directors has assigned the Audit Committee to supervise the Corporate Risk Management so that the operations achieve the business goals. The Audit Committee therefore places importance on risks according to international standard guidelines COSO-ERM (The Committee of Sponsoring of the Tread way Commission – Enterprise Risk Management), to ensure that the Company has set guidelines for continuous and systematic risk management. Including having a mitigation plan to cope with unusual situations that may occur in the future with efficiency and effectiveness, and has regularly reviewed important risks and considered risk management to be at an acceptable level. In this regard, the Audit Committee discussed with management team, External Auditor and Internal Audit Section to review the adequacy of the internal control system covering all 5 aspects of the COSO framework as follows: 1.) Control Environment 2.) Risk Assessment 3.) Operational Control 4.) Information and Communication Systems and 5.) Monitoring System. To ensure that the company and its subsidiaries have a good internal control system in terms of operations, protection of assets, data leakage, fraud and legal compliance regulations.

### **4. Review and Supervise the Internal Audit**

The Audit Committee considered roles, responsibilities, independence, manpower and budgets of the Internal Audit Section to be appropriate and conformity with the internal audit guidelines of the Stock Exchange of Thailand (SET). The Audit Committee realizes the importance of internal auditing and therefore has appointed the head of the internal audit unit with education and work experience to manage the Internal Audit Section. Including the approval of the annual internal audit plan with Risk assessment (Risk Based Audit) for all important processes and regularly review the internal control system with internal auditors and considered all internal audit reports that were approved in accordance with the annual internal audit plan.

The Audit Committee provided its opinions on the Company's internal control has adequate, appropriate and always updated to reflect the changing activities. As a result, the operations of the Company and its subsidiaries achieve the objectives in accordance with COSO guidelines. In addition, the Audit Committee has instructed the management to continuously improve the internal control system to be effective.

### **5. Compliance with the Law and the Government Regulations**

The Audit Committee reviewed the compliance with Rules and Regulations of the Securities and Exchange Commission, regulations of the Stock Exchange of Thailand, the law relating to the



Company's business operations; and deemed that there is no significant issue relating to non-compliance with the law, regulations, and other related laws.

**6. Review and Comments on Related Transactions or those with Potential Conflict of Interest**

The Audit Committee reviewed the Related Transactions and those with Potential Conflict of Interest, as well as reports by relevant directors. These transactions were correctly reviewed and disclosed to the Stock Exchange of Thailand in a timely manner.

**7. Group and Individual Self-Performance Appraisal**

To comply with the best practices guidelines for the Audit Committee, the Audit Committee conduct the self-performance appraisal annually. In 2023, the self-performance appraisal result of the Audit Committee can be summarized that the Audit Committee has performed its duties fully according to its Charter and complied with the best practice guidelines for the Audit Committee, which will result in effective implementation of the rules of good corporate governance and report the result to the Board of Directors to acknowledgement.

**8. Selection, Nomination, and Remuneration of the Independent Auditor**

The selection, nomination and remuneration of the Independent Auditor of 2023 shall be proposed for the Board of Directors to request for approval in the Annual General Meeting (AGM) 2023, whereas, the Audit Committee considered work performance, independence, and appropriateness of the remuneration, which shall not be contrary to the Notification of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand governing the circulation of auditors. Therefore, it is deemed expedient to appoint the certified public accountants of EY Office Limited as the Company's Independent Auditor of 2023, with a total remuneration of 1,65,000 baht

**9. Reporting of the Resolution of the Board of Directors**

The Audit Committee reported all minutes of its meetings and the internal audit appraisal to the Board of Directors in accordance with the guidelines of best practices of the Audit Committee.

**10. Review and update the Charter of the Audit Committee**

The Audit Committee meeting approved the revision of the Audit Committee Charter and proposed to the Board of Directors for approval on 8 September 2023. There is an amendment to the content to be appropriate and covers the current duties of the Audit Committee.

In summary for the year 2023, the Audit Committee performed its duties fully in accordance with its Charters approved by the Board of Directors. The Audit Committee gave opinion that the Company has implemented its good corporate governance practice, prepared its financial statements in accordance with Thai Financial Reporting Standards, disclosed the correct, complete, and adequate information in the financial report, provided its appropriate internal control, adhered to the business ethics, and complied with the rules, regulations, and related laws, thus, in conformity with the Notification of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

On behalf of the Audit Committee

Dr. Wicha Jiwalai

Chairman of the Audit Committee

# Appendix 6:

## Report of Risk Management Committee Report

According to the resolution made during the 8th/2023 Board of Directors meeting held on December 8, 2023, Board of Directors has appointed Risk Management Committee. This committee is responsible for defining and reviewing risk policies, goals, and risk management frameworks to align with the company's objectives, goals, and business strategies. It also oversees critical risk management at the organizational level. The committee must consist of at least three members, including at least one director. In order that The Board of Directors approved and appointed of 3 members as follows:

- |                                      |   |
|--------------------------------------|---|
| 1. Mr. Chamni Janchai                | Chairman of the Risk Management Committee |
| 2. Police General Jate Mongkolhutthi | Risk Management Committee                 |
| 3. Mr. Masthawin Charnvirakul        | Risk Management Committee                 |

In the end of year 2023, the Risk Management Committee carried out its responsibilities completely and effectively within the scope of the defined Risk Management Charter which approved by the company's Board of Directors. The committee convened for one meeting in year 2023, during which it deliberated on significant matters. The outcomes of this meeting are summarized as follows:

### 1. Review of Policies, Objectives, and Risk Management Framework

The risk management committee has reviewed the policies, objectives, and risk management framework across the entire organization. This includes revisiting the accepted risk appetite of the company to align with strategic plans and business directions, considering changing circumstances.

### 2. Advice on Risk in the Company

The risk management committee has counseled on the company's risk types for the year 2023. These counselling have been carefully filtered to align with the business direction, strategic plans, and objectives of the company. Additionally, they continuously monitor and offer recommendations to the Executive Committee to ensure that the company's operations are efficient and capable of achieving both short-term and long-term goals sustainably.

### 3. Risk Monitoring and Reporting

The risk management committee follow the overall status of risks and their status across various dimensions, comparing them against the accepted risk levels. These dimensions include Strategic Risk, Financial Risk, Operational Risk, Compliance Risk, Cyber Risk, Organizational Risk, and External Risk. The risk management committee has engaged in discussions with the audit committee to ensure there are no gaps in roles and responsibilities between the two committees.

The risk management committee believe in fulfilling their assigned responsibilities with integrity, honesty, and transparency, considering the long-term benefits for shareholders and all relevant stakeholders. The committee continually evaluates its own performance to ensure effectiveness and alignment with its assigned objectives.

Mr. Chamni Janchai

Chairman of the Risk Management Committee

STP&I Public Company Limited

# Appendix 7:

## Report of the Nomination and Remuneration Committee

Resolution of the Board of Directors' Meeting No. 8/2023, held on December 8, 2023, resolved to appoint the Nomination and Compensation Committee and set the Nomination and Compensation Committee Charter effective from December 9, 2023 onwards. The Nomination and Remuneration Committee consists of 3 directors, with more than 50 percent of the total number of independent directors being members of Nomination and Remuneration Committee. The Chairman of the Nomination and Remuneration Committee must be an independent director as follows:

- |                                      |          |
|--------------------------------------|----------|
| 1. Police General Jate Mongkolhutthi | Chairman |
| 2. Mr. Chamni Janchai                | Director |
| 3. Ms. Sirangrong Chowiwatana        | Director |

In 2023, the Nomination and Remuneration Committee performed its duties as specified in the Nomination and Remuneration Committee Charter and as assigned by the Board of Directors completely and efficiently. The meeting was held 1 time which can be summarized as follows.

### 1. Defining policy, criteria and procedures

The Nomination and Remuneration Committee had defining guidelines, policies, criteria and procedures in nominating of Board of Directors and subcommittees and the respective compensations. Such policies covered the appointments and composition qualifications and prohibited characteristics of the boards, term in office, duty and responsibilities, criteria in recruiting board of directors and subcommittees, criteria in consideration of compensation, the meeting and reporting. Whereas the above-mentioned policies, criteria, procedures are correct, complete and had been granted approval by the Board of Directors.

### 2. Proposing qualified person(s) to assume director(s)

The Nomination and Remuneration Committee had recruited and proposed qualified candidates to be new director-by tabling to the Board of Directors who would forward to the Annual General Meeting of Shareholders for approval. In the process, the Nomination and Remuneration Committee would first consider candidates proposed by shareholders (if any); and consider candidates proposed by member of the Nomination and Remuneration Committee (if any). The committee has considered qualification on knowledge, ability, experience and past records that compliance to policy and strategy of the Company and past performance during the directorship period in case the retire by rotation as well as meet with the criteria in the policy., The Nomination and Remuneration Committee had closely monitored the recruitment process of Board of Directors and Sub-Committees to ensure transparency.

From December 8, 2023 – January 9, 2024, the Company provided an opportunity to its shareholders to propose a qualified person to be appointed as the Company's director. However, no shareholders proposed any person to be appointed as the Company's director.

### **3. Remuneration Process**

The Nomination and Remuneration Committee had considered and determination of such remuneration of Board of Directors and Sub-Committees. The remuneration are meeting allowance, and annual bonus by comparing the nature of business in the same industry and business size with other companies. The Board of Directors has reviewed and propose of such remuneration to the Annual General Meeting of Shareholders for final approval.

In this regard, it was resolved to propose to the Board of Directors to consider determining the remuneration of Directors. Audit Committee and sub-Committees for the year 2024 in the amount not exceeding 10,000,000 baht (ten million baht only), which is a higher rate than the remuneration in 2023, equivalent to 11.11%. The Nomination and Remuneration Committee carefully screened from the duties and responsibilities of Committee and work of directors, type of compensation and Comparison with other companies in the same industry and of similar size.

### **4. Consideration of guidelines, criteria, and processes for evaluating the performance of the board and sub-committee.**

The Nomination and Remuneration Committee has considered proposing to the Board of Directors so that the Board of Directors and sub-committee members can continuously evaluate their performance on an annual basis and jointly consider the work and improve the performance of duties and responsibilities of the committee to benefit the company with maximum efficiency and effectiveness.

The Nomination and Compensation Committee and Risk Management Committee has established on December 9, 2023, the performance evaluation of the two committees will be conducted approximately one year after fulfilling their responsibilities.

The Nomination and Remuneration Committee is committed to performing its duties to ensure that operations are transparent and accurate according to the criteria set forth in accordance with the principles of good corporate governance for maximum benefit which will result in creating value added for the company sustainability.

Police General Jate Mongkolhutthi

Chairman of the Nomination and Remuneration Committee  
STP&I Public Company Limited

## Appendix 8:

### Report of Board of Director on the Company's Financial Statement

The Company's Board of Directors is responsible for the separate financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries as well as financial information presented in the annual reports. The financial statements for the year ended 31 December 2023. In preparing the financial statements, appropriate accounting policies have been adopted and regularly adhered to, using careful discretion and reasonable estimates. As well, key information has been adequately disclosed in the notes to the financial statements. The purpose is to ensure that the disclosed information rightly reflect the Company's financial status, performance and cash flows in a transparent manner, which are beneficial to the investing public. Importantly, the certified auditor from EY Office Limited has audited the financial statements and issued an unqualified opinion on them.

The Board of Directors has also put in place and maintained risk management systems, internal control systems, internal audit systems and appropriate and efficient corporate governance to ensure that accounting records are accurate, reliable, timely and adequate to protect the company's assets as well as to prevent fraud and significant irregular operations. In this connection, the Board of Directors has appointed the Audit Committee with all of its members being independent directors. The Committee is responsible for reviewing accounting policies and ensuring the quality of financial reports. It is also responsible for reviewing internal control systems, the internal audit systems, and the risk management systems. As well, it is responsible for ensuring that the disclosure of information about related party transactions is complete, adequate and appropriate. The opinion of the Audit Committee is given in its report which is already included in this Annual Report.

The Board of Directors is the overall internal control systems are adequate and appropriate and gives rise to the reasonable confidence that the separate financial statements of the Company as well as the consolidated financial statements of the Company and its subsidiaries for the year ended 31<sup>st</sup> December 2023 are reliable and in compliance with Thai Financial Reporting Standards as well as the related laws and regulations.

(Mr. Chavarat Charnvirakul)  
Chairman of the Board

(Mr.Masthawin Charnvirakul)  
Director and Managing Director

## Appendix 9:

### Company policies, Charter of the Board of Directors and sub-committee

#### 1. Corporate governance policy

The company disclosed "Corporate governance policy" at the company website. You can view the full version by following the QR Code below.



Corporate governance policy

Or click on the link <https://www.stpl.co.th/investor-relations-th/corporate-governance/>

#### 2. Code of Business Conduct

The company disclosed "Code of Business Conduct" at the company website. You can view the full version by following the QR Code below.



Code of Business Conduct

Or click on the link <https://www.stpl.co.th/investor-relations-th/corporate-governance/>

#### 3. Corporate Social Responsibility

The company disclosed "Corporate Social Responsibility" at the company website. You can view the full version by following the QR Code below.



Corporate Social Responsibility

Or click on the link <https://www.stpl.co.th/investor-relations-th/corporate-governance/>

#### 4. Anti Corruption Policy

The company disclosed "Anti Corruption Policy" at the company website. You can view the full version by following the QR Code below.



Anti Corruption Policy

Or click on the link <https://www.stpl.co.th/investor-relations-th/corporate-governance/>



**5. Good practices on the receiving and giving gifts or other benefits**

The company disclosed "Good practices on the receiving and giving gifts or other benefits" at the company website. You can view the full version by following the QR Code below.



Good practices on the receiving and giving gifts or other benefits

Or click on the link <https://www.stpi.co.th/investor-relations-th/corporate-governance/>

**6. Risk Management Policy**

The company disclosed "Risk Management Policy" at the company website. You can view the full version by following the QR Code below.



Risk Management Policy

Or click on the link <https://www.stpi.co.th/investor-relations-th/corporate-governance/>

**7. Personal Data Protection Policy**

The company disclosed "Personal Data Protection Policy" at the company website. You can view the full version by following the QR Code below.



Personal Data Protection Policy

Or click on the link <https://www.stpi.co.th/investor-relations-th/corporate-governance/>

**8. Inside Information Prevention and Securities Trading Policy**

The company disclosed "Inside Information Prevention and Securities Trading Policy" at the company website. You can view the full version by following the QR Code below.



Inside Information Prevention and Securities Trading Policy

Or click on the link <https://www.stpi.co.th/investor-relations-th/corporate-governance/>

#### 9. Human Rights Policy

The company disclosed "Human Rights Policy" at the company website. You can view the full version by following the QR Code below.



Human Rights Policy

Or click on the link <https://www.stpi.co.th/investor-relations-th/corporate-governance/>

#### 10. Information Technology Security Policy

The company disclosed "Information Technology Security Policy" at the company website. You can view the full version by following the QR Code below.



Information Technology Security Policy

Or click on the link <https://www.stpi.co.th/investor-relations-th/corporate-governance/>

#### 11. Occupational Health, Safety and Environment Policy

The company disclosed "Occupational Health, Safety and Environment Policy" at the company website. You can view the full version by following the QR Code below.



Occupational Health, Safety and Environment Policy

Or click on the link <https://www.stpi.co.th/investor-relations-th/corporate-governance/>

## 12. Policy on Child Labor and Modern Slavery

The company disclosed "Policy on Child Labor and Modern Slavery" at the company website. You can view the full version by following the QR Code below.



Policy on Child Labor and Modern Slavery

Or click on the link <https://www.stpi.co.th/investor-relations-th/corporate-governance/>

## 13. Charter of the Board of Directors

The company disclosed "Charter of the Board of Directors" at the company website. You can view the full version by following the QR Code below.



Charter of the Board of Directors

Or click on the link <https://www.stpi.co.th/investor-relations-th/corporate-governance/>

## 14. Charter of Audit Committee

The company disclosed "Charter of Audit Committee" at the company website. You can view the full version by following the QR Code below.



Charter of Audit Committee

Or click on the link <https://www.stpi.co.th/investor-relations-th/corporate-governance/>

## 15. Charter of Risk Management Committee

The company disclosed "Charter of Risk Management Committee" at the company website. You can view the full version by following the QR Code below.



Charter of Risk Management Committee

Or click on the link <https://www.stpi.co.th/investor-relations-th/corporate-governance/>

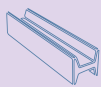
#### 16. Charter of Nomination and Compensation Committee

The company disclosed "Charter of Nomination and Compensation Committee" at the company website. You can view the full version by following the QR Code below.



Charter of Nomination and Compensation Committee

Or click on the link <https://www.stpi.co.th/investor-relations-th/corporate-governance/>



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