



Annual Registration Statement / Annual Report

Form 56-1 One Report

(e-One Report)

DEMCO PUBLIC COMPANY LIMITED

Fiscal Year End 31 December 2024



# Table of Contents

	Page
<b>Part 1 Business Operations and Performance</b>	
<b>1. Organizational structure and operation of the group of companies</b>	
1.1 Policy and business overview	1
1.2 Business Operations	5
1.3 Shareholding structure	21
1.4 Number of registered capital and paid-up capital	26
1.5 Issuance of other securities	27
1.6 Dividend payment policy	28
<b>2. Risk management</b>	
2.1 Risk mgmt policy and plan	29
2.2 Risk factors	32
<b>3. Business sustainability development</b>	
3.1 Sustainability Management Policy and Targets	36
3.2 Management of impacts on stakeholders in the business value chain	39
3.3 Management of environmental sustainability	44
3.4 Social sustainability management	53
<b>4. Management Discussion and Analysis (MD&amp;A)</b>	
4.1 Operation, financial condition and material changes, accompanied by the causes or factors contributing thereto during the past year	67
4.2 Potential factors or incidents that may materially affect the financial condition or the operating results	74
4.3 Disclose information from the financial statements and significant financial ratios	75
<b>5. General information and other material facts</b>	

## Table of Contents (continued)

	Page
5.1 General information	90
5.2 Other material facts	91
5.3 Legal disputes	92
5.4 Secondary market	93
5.5 Financial institution with regular contact (only in case of debt securities offeror)	94
 <b>Part 2 Corporate Governance</b>	
 <b>6. Corporate governance policy</b>	
6.1 Corporate Governance Policy	95
6.2 Business code of conduct (if any)	100
6.3 Material changes and developments regarding policy, guidelines and corporate governance system in the preceding year	107
 <b>7. Corporate governance structure and significant information related to the board of directors, subcommittees, executives, employees, and others</b>	
7.1 Corporate Governance Structure	109
7.2 Information on the Board of Directors	111
7.3 Information on subcommittees	122
7.4 Information on executives	128
7.5 Information on employees	136
7.6 Other significant information	138
 <b>8. Report on key operating results on corporate governance</b>	
8.1 Summary of duty performance of the Board of Directors in the past year	140
8.2 Report on the results of duty performance of the Audit Committee in the past year	160
8.3 Summary of the results of duty performance of subcommittees	163

## Table of Contents (continued)

	Page
<b>9. Internal control and related party transactions</b>	
9.1 Internal control	171
9.2 Related party transactions	176
<b>Part 3 Financial Statement</b>	
Auditor's Report	193
Financial Statements	200
Notes to the Financial Statements	210
<b>Back up attachment</b>	
Attachment	305



## Part 1 Business Operations and Performance

# 1. Organizational structure and operation of the group of companies

## 1.1 Policy and business overview

Demco Public Company Limited (“DEMCO”) operates three business segments: service business, sales business, and project development and investment in renewable energy and public utility projects. The service business is divided into three areas:

- (1) Electrical engineering works, design, procurement, construction and installation on a turnkey basis.
- (2) Mechanical, Electrical, Instrumentation and Telecommunication System (MEIT) works.
- (3) Renewable energy business, sales business, including the production and distribution of steel poles for high voltage transmission systems, electrical equipment sales, electricity sales, woodchip sales, and project development and investment in renewable energy and public utility projects.

### 1.1.1 Overview of the vision, objectives, goals and business strategies

#### Message from the chairman

##### Message from the Chairman of the Board of Directors, 2024

In 2024, the world continues to face challenges from economic uncertainty and various risk factors, including the impact of geopolitical changes, financial market volatility, and climate change, which affect the global economy and society. Despite these challenges, the Demco Group remains committed to driving positive change through business operations that align with global trends and sustainable development goals.

Over the past year, Demco has revised its vision and corporate strategy to align with future growth directions, focusing on becoming a leader in clean and renewable energy, as well as expanding its operations in potential projects, both in terms of construction and investment, to enhance sustainable growth.

In 2024, Demco continues to prioritize operations under the ESG (Environmental, Social, and Governance) framework by implementing efficient cost management, continuous personnel development, and fostering a corporate culture that promotes environmental and social responsibility.

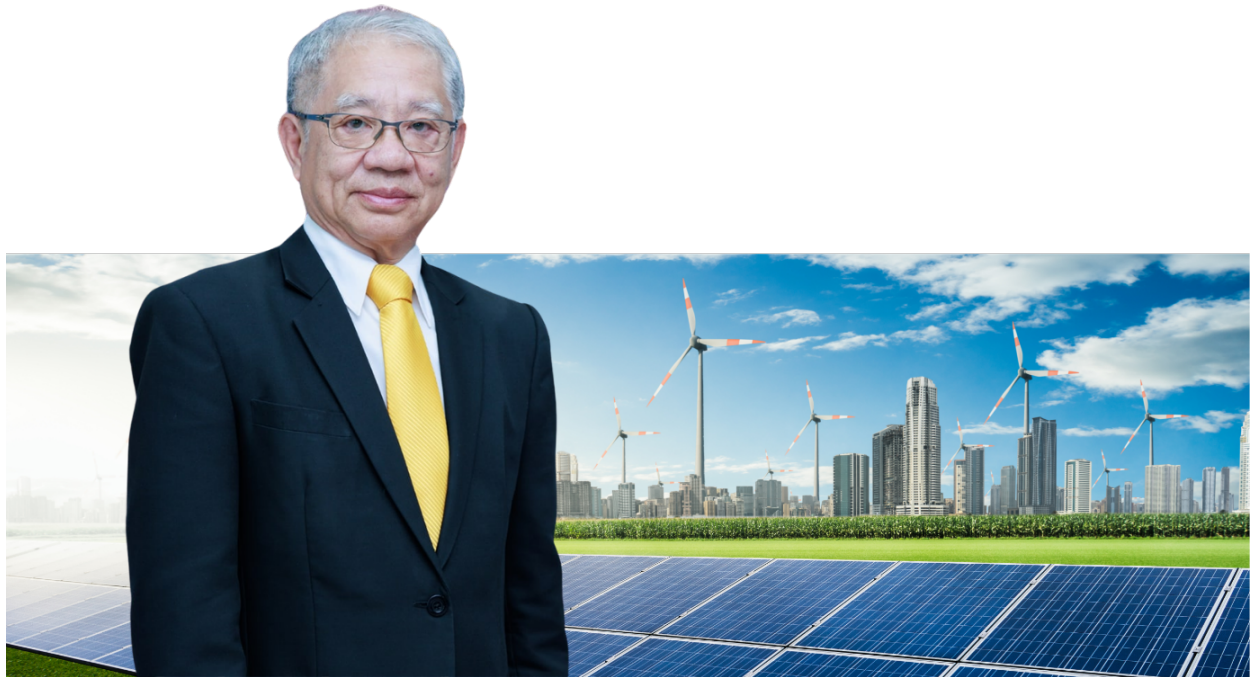
In addition, Demco is committed to leveraging technology and innovation to enhance operational efficiency in all dimensions, as well as developing collaborations with business partners to strengthen market presence and increase diverse business opportunities.

On behalf of the Board of Directors, management, and employees of Demco, I would like to express our sincere gratitude to our shareholders, business partners, and all stakeholders for your continued support and trust in Demco. Our achievements today are a result of the dedication and collaboration of all parties.

We reaffirm our commitment to moving towards sustainable development goals, creating growth in business, economy, and society, to create a stable and sustainable future for all stakeholders.

Mr. Namchai Lorwattanatrakul  
Chairman of the Board  
Demco Public Company Limited

#### Image Message from the chairman



## Vision

“To be a producer and provider of clean energy, electrical systems, and public utilities with innovation and modern technology to create sustainable value.”

## Objectives

### Mission

1. To be an investor and developer of efficient energy management (Smart Energy Ecosystems)
2. Build confidence among stakeholders with innovation and modern technology, along with providing quality services with a highly efficient team.
3. Seek business opportunities to create good returns for stakeholders continuously.
4. Focus on operations in accordance with sustainable development guidelines.

## Goals

DEMCO is committed to developing the organization to become a producer and supplier of clean energy, electrical systems, and utilities. We aim to expand our business in electrical engineering services, mechanical systems, electrical systems, instrumentation systems, telecommunications systems, alternative energy, and utilities using innovation and modern technology. This includes electrical equipment sales, steel structure manufacturing and distribution, electricity sales, woodchip sales, and investment in renewable energy and utility projects. We also promote business activities that contribute to reducing carbon dioxide emissions and other pollutants (Low Carbon Business) to generate sustainable returns for all stakeholders.

## Business strategies

Demco has set a 3-year strategic plan (2026-2028) with the following objectives: Demco Roadmap in the short term of 2026 is to bring Demco back to profitability. In the medium term of 2027-2028, increase revenue proportion from the energy and utilities businesses while maintaining the proportion of project management service businesses effectively to ensure continuous profit for the company. In the long term, from 2029 onwards, become a clean energy producer and supplier, re-entering the energy and utilities sector. Demco's strategic plan adheres to the principles of good governance, risk management, and good corporate governance, aiming towards Decarbonization.

The summary is as follows:

Strategies for increasing service business revenue from large projects and developing innovative products and services in the energy sector include electrical engineering services, substation construction, transmission line construction, underground cabling, renewable energy, mechanical system work, instrumentation system work, and telecommunications system work both domestically and internationally. The focus is on key customers in both the public and private sectors. There is an elevation of partnerships to a strategic level in terms of new businesses and new products. Generating revenue from offering Smart Energy Solutions to generate continuous recurring income, including strategies to develop investment projects both domestically and internationally. Demco has set a framework for developing investment projects in renewable energy and utilities to generate consistent revenue for the company and expand its service business to enable Demco to achieve its objectives. The company has also established strategies to adjust the capital structure and finance of the group, along with developing work processes towards excellence in terms of personnel, technology, systems, and work processes to develop the organization for sustainable growth, promote social participation activities, and reduce carbon dioxide emissions or other pollution.

### 1.1.2 Material changes and developments

Demco was registered as a limited company on June 1, 1992, with an initial registered capital of 6 million baht. Subsequently, the capital was continuously increased and transformed into a public company on May 26, 2006. As of December 31, 2017, the registered capital was 876.41 million baht and the paid-up capital was 750.98 million baht.

#### Details regarding material changes and developments

Year	Material changes and developments
2024	Changed the paid-up registered capital to 750,978,655 Baht from the exercise of DEMCO-W7.
2023	<ul style="list-style-type: none"> <li>Increased registered capital to 876,413,101 Baht</li> <li>Issued and offered warrants to purchase ordinary shares of the Company No. 7 (DEMCO-W7)</li> </ul>
2021	Demco Energy and Utility Public Company Limited (formerly Demco Industry Public Company Limited) operates businesses related to power plants, energy and utilities management, as well as construction work in civil and pressure piping systems.
2014	Registered the establishment of Demco Delao Co., Ltd. to operate a water supply production concession business for a water supply enterprise in Luang Prabang Province.
2012	Demco Power Company Limited operates in the business of manufacturing steel structure poles, metal structures used in construction or equipment for industrial work.
2011	Transfer of listing from the Market for Alternative Investment (mai) to the Stock Exchange of Thailand (SET)
2008	Invested in Demco Industry Co., Ltd., a company operating in the business of contracting and installation of high pressure vessels, pressure piping systems, and machinery with the objective of expanding the market to high pressure vessel production used in petrochemical plants and large industrial plants.
2006	Demco transformed into a public company and listed on the Market for Alternative Investment (mai).
1992	Registered on June 1, 1992, Demco began operating a factory to produce steel poles and fixtures. The company received an investment promotion certificate from the Board of Investment (BOI).

### 1.1.3 Spending of the raised fund to serve the objectives declared in the registration statement for securities offering

Is there an issuance of equity securities or debt securities? : No

### 1.1.4 The obligations to which the company has committed in the registration statement, including the compliance with such

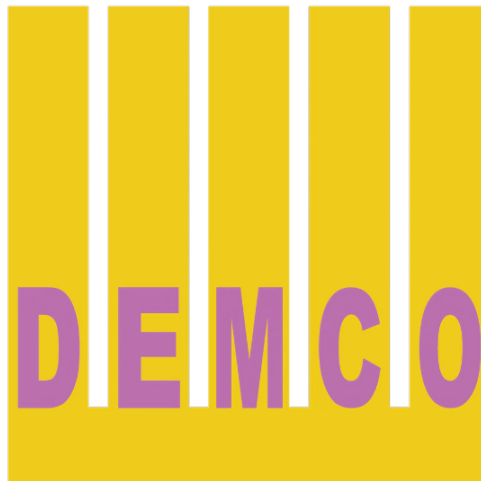
## obligations or conditions in the following years

Are there any issued securities with obligations or : No  
conditions?

### 1.1.5 Company information

Company name : DEMCO PUBLIC COMPANY LIMITED  
Symbol : DEMCO  
Address : Moo 1, Suan Phrik Thai Subdistrict, Mueang District  
Province : Pathum Thani  
Postcode : 12000  
Business : The Company operates in 5 core businesses; 1) design, construction and contract all kinds of electrical engineering works such as transmission line, substation, renewable energy power plant 2) design, construction mechanic and electrical system 3) energy conservation business 4) telecommunications 5) fabrication and distribution of steel structure for transmission Line, and billboard signs.  
Registration number : 0107549000092  
Telephone : 0-2959-5811  
Facsimile number : 0-2959-5816  
Website : <http://www.demco.co.th>  
Email : [IR@demco.co.th](mailto:IR@demco.co.th)  
**Total shares sold**  
Common stock : 750,978,655  
Preferred stock : 0

### Diagram of organization's logo



## 1.2 Nature of business

### 1.2.1 Revenue structure <sup>(1)</sup>

Remark : <sup>(1)</sup> DEMCO's revenue structure over the past three years primarily stemmed from electrical engineering works. In 2024, service revenue reached 2,080.60 million baht, marking a 14.67% increase (266.22 million baht) compared to 1,814.38 million baht in 2023. While revenue from civil construction, renewable energy, and other contracting projects decreased, there was a rise in distribution system projects, underground electrical works, and substation projects. The year 2024 witnessed a revenue surge compared to 2023, primarily driven by substation construction, transmission line construction, distribution system projects, and underground cabling, accounting for approximately 63.19% of total revenue. Leveraging the extensive 30-year experience of its engineering team, DEMCO has successfully expanded its operations into new business areas that leverage its core expertise in electrical engineering. These areas include renewable energy investment projects, utilities, Micro Grid and Smart Grid management systems, and renewable energy power plant construction. This expansion is supported by government policies promoting infrastructure investment, particularly in developing and expanding power transmission and substation systems. Additionally, the growing demand for electricity from the industrial sector and the increasing adoption of renewable energy have contributed to a steady stream of new construction projects.

In 2023, electrical engineering works constituted the primary revenue source, representing approximately 64.78% of total revenue. This segment encompassed substation construction, transmission line construction, and underground cabling projects. Compared to 2022, the company experienced a total revenue increase of 175.11 million baht, primarily attributed to dividends from investments in the energy sector. However, service revenue saw a slight decline compared to the previous year, with a decrease of approximately 222.33 million baht in electrical engineering works. Conversely, revenue from telecommunications, signaling, and MEIT projects increased by 203.54 million baht. Despite a significant decrease in revenue from the private sector, the company benefited from increased revenue from the public sector, offsetting the decline and resulting in service revenue comparable to 2022 levels. Furthermore, in 2023, DEMCO generated revenue from the sale of biomass fuel (wood chips) to power plants, contributing to a 114.54 million baht increase in sales revenue, ultimately boosting total revenue.

In 2022, DEMCO faced a revenue decline due to the COVID-19 pandemic, which led to the postponement of major government projects and delays in site deliveries. Consequently, actual operations deviated from the planned course, resulting in revenue of 2,040.94 million baht, reflecting a 21% decrease compared to the previous year. Electrical engineering works remained the primary revenue contributor, accounting for 81.23% of total revenue. Substation projects constituted the majority of electrical engineering works, followed by telecommunications, signaling, and MEIT projects. Renewable energy services accounted for 5.59% of total revenue, while sales of electrical equipment and construction contributed 0.92%. Other income, including dividends and interest income, decreased by 30% year-on-year, representing 7.98% of total revenue.

#### Revenue structure by product line or business group

	2022	2023	2024
<b>Total revenue from operations (thousand baht)</b>	2,137,451.00	2,300,725.00	3,212,227.00
Revenue from Sales of Goods and Services (thousand baht)	239,129.00	355,263.00	851,404.00
Sales of electrical appliances and construction (thousand baht)	228,194.00	341,285.00	828,319.00
Solar energy (thousand baht)	10,935.00	13,745.00	17,967.00
Other service income (thousand baht)	0.00	233.00	5,118.00
Construction revenue (thousand baht)	1,860,974.00	1,800,327.00	2,124,190.00
Electrical Engineering (thousand baht)	1,486,036.00	1,490,495.00	2,029,686.00
Telecommunications, Signaling, MEIT (thousand baht)	287,606.00	303,579.00	79,729.00
Alternative energy (thousand baht)	87,332.00	61,253.00	14,775.00
Others (thousand baht)	37,348.00	145,135.00	236,633.00
<b>Total revenue from operations (%)</b>	100.00%	100.00%	100.00%
Revenue from Sales of Goods and Services (%)	11.19%	15.44%	26.51%
Sales of electrical appliances and construction (%)	10.68%	14.83%	25.79%
Solar energy (%)	0.51%	0.60%	0.56%

	2022	2023	2024
Other service income (%)	0.00%	0.01%	0.16%
Construction revenue (%)	87.07%	78.25%	66.13%
Electrical Engineering (%)	69.52%	64.78%	63.19%
Telecommunications, Signaling, MEIT (%)	13.46%	13.19%	2.48%
Alternative energy (%)	4.09%	2.66%	0.46%
Others (%)	1.75%	6.31%	7.37%

Diagram of revenue structure by product line or business group

Invested Company	Shareholding Percentage	Investment Date	Investment Amount (Million Baht)	Dividend (Million Baht)		
				2567	2566	2565
Demco Energy and Utility CO., LTD.	100.00%	05/02/51	148.60			
Demco Power CO., LTD.	100.00%	25/04/54	200.00			
Demco De Lao CO., LTD.	100.00%	22/06/58	422.78			
Sabayoi Green CO., LTD.	94.67%	16/04/64	10.65			
Demco Power 15 CO., LTD.	51.00%	25/12/56	2.80			
Demco Power 16 CO., LTD.	51.00%	25/12/56	2.80			
Demco Power 17 CO., LTD.	51.00%	25/12/56	2.80			
Frasers Property Demco Power 6 CO., LTD.	49.00%	25/12/56	2.45			
Frasers Property Demco Power 11 CO., LTD.	49.00%	25/12/56	1.96			
Udon Thani Solar Power CO., LTD.	45.71%	25/12/56	16.00	0.96	1.44	
Indo China Green Energy CO., LTD.	45.71%	25/12/56	16.00	0.48	0.45	
Mekhong Green Power CO., LTD.	45.71%	25/12/56	16.00			
Aeolus Power Co., Ltd.	25.00%	28/07/54	1,206.85	34.49	109.42	122.25
Khao Kor Wind Power CO., LTD.	14.28%	02/07/58	218.57			
Sustainable Energy Corporation CO., LTD.	12.87%	18/01/55	114.11			
Wind Energy Holding CO., LTD.	3.87%	15/07/56	800.00	88.42	113.68	

By geographical area or market

	2022	2023	2024
Total revenue (thousand baht)	2,137,451.00	2,300,725.00	3,212,227.00
Domestic (thousand baht)	2,109,296.00	2,274,469.00	3,158,417.00
International (thousand baht)	28,155.00	26,256.00	53,810.00
Laos (thousand baht)	28,155.00	26,256.00	53,810.00
Others (thousand baht)	0.00	0.00	0.00
Total revenue (%)	100.00%	100.00%	100.00%
Domestic (%)	98.68%	98.86%	98.32%
International (%)	1.32%	1.14%	1.68%
Laos (%)	100.00%	100.00%	100.00%
Others (%)	0.00%	0.00%	0.00%

**Other income as specified in the financial statements**

	2022	2023	2024
Total other income (thousand baht)	37,348.00	145,135.00	236,633.00
Other income from operations (thousand baht)	34,526.00	28,449.00	11,318.00
Other income not from operations (thousand baht)	2,822.00	116,686.00	225,315.00
Dividend (thousand baht)	0.00	113,684.00	88,421.00
Return list of impairment losses (thousand baht)	0.00	0.00	131,936.00

**Share of profit of joint ventures and associates accounted for using equity method**

	2022	2023	2024
Share of profit (thousand baht)	133,595.00	24,465.00	26,320.00



## 1.2.2 Information on products and services

Demco can be divided into 3 business groups: service business, sales business, and project development and investment in renewable energy projects and public utilities. Details of the work in each group are as follows:

### 1.2.2.1 Product/service information and business innovation development

#### Service Business

DEMCO's business services consist of comprehensive design, procurement, construction, and installation of electrical engineering works. Our services are divided into 3 categories:

- (1) Electrical engineering works, including high voltage transmission line systems, power substation construction, distribution systems, and underground electrical systems.
- (2) Mechanical, Electrical, Instrumentation and Telecommunication System (MEIT) and
- (3) Renewable Energy

**(1) Electrical engineering works, including high voltage transmission line systems, power substation construction, distribution systems, and underground electrical systems.** DEMCO provides comprehensive services ranging from design, procurement, construction, and installation of electrical engineering systems, including Transmission Line Systems, Power Substations, Distribution Line Systems, and Underground Cable Systems, all within a single company. This means we provide services from the point of electricity generation at power plants, through substations, transmission systems, and distribution systems, to end-users in residential, industrial, and community settings. Our main clients for this segment, in addition to the Electricity Generating Authority of Thailand (EGAT), the Provincial Electricity Authority (PEA), and the Metropolitan Electricity Authority (MEA), include independent power producers (IPPs), small power producers (SPPs), and various industrial factories.

#### **(2) Mechanical, Electrical, Instrumentation and Telecommunication System (MEIT)**

DEMCO undertakes Mechanical, Electrical, Instrumentation, and Telecommunication (MEIT) projects. The volume of work in this segment is expanding in line with the investment plans of the national energy plan and the Eastern Economic Corridor (EEC) development plan of clients in the oil and natural gas industry, as well as clients in various industries such as PTT Public Company Limited and its subsidiaries.

#### **2.1 Mechanical and Piping System**

DEMCO provides design, procurement, construction, and installation services for mechanical and piping systems, offering comprehensive and integrated solutions within the company. These services include:

- HVAC - Heating, Ventilation, and Air-conditioning
- WSS - Water supply system and sanitation
- Industrial & Process Piping
- Firewater Protection & Deluge Services
- Water Supply Pump and Pipeline System
- Storage Tank System For Oil, Gas, Water or Chemical Product

#### **2.2 Electrical and Instrumentation System**

DEMCO provides design, procurement, construction, and installation services for electrical, instrumentation, and control systems, including:

- Design, supervision, procurement, and installation of electrical systems for various applications, including Generator Sets, Switchgear, Transformers, MV/LV Systems, UPS and Battery Systems, Distribution and Control Panels, Power Sockets and Lighting Systems, Earthing and Lightning Protection Systems, and all cabling works.
- Electrical power drive and power conversion systems, including electrical control equipment for various drive configurations, with a focus on starting and electronic speed control of low, medium, and high voltage motors. Electrical protection and control systems, covering motor protection, feeder protection, line protection, transformer protection, and generator protection. Design and implementation of industrial networks and network security to protect real-time process control and SCADA systems of critical infrastructure.
- Design, supply, and installation of instrumentation and control systems for various applications in both normal and hazardous areas, including Field Instrumentation, Process Pipe Fitting, Fire and Gas (F&G) Systems, PLCs For Drive Control (DC'S) System, Emergency Shutdown (ESD) System, Metering Systems, Distributed Control Systems (DCS), Control Valves, Relief Valves, Pressure/Level/Flow/Temperature Control, SCADA Systems, Vibration Monitoring, and all necessary cabling.

### 2.3 Telecommunication System

DEMCO provides design, supply, installation, and testing services for communication and telecommunication systems, including fiber optic cable network installation and communication equipment installation, both overhead and underground systems, for both public and private clients. Our clients include National Telecom Public Company Limited (NT), TOT Public Company Limited, private companies in the natural gas pipeline business, and government agencies such as Bangkok Metropolitan Administration. We also provide design, procurement, construction, and installation services for steel structures for UHF radio systems in the natural gas pipeline construction project of PTT Public Company Limited. Currently, DEMCO provides comprehensive services including Fiber Optic Communication System, CCTV System, LAN and WAN System, IP Telephone and PABX System, Public Address & General Alarm System (PAGA), UHF Radio System, Trunk Radio System.

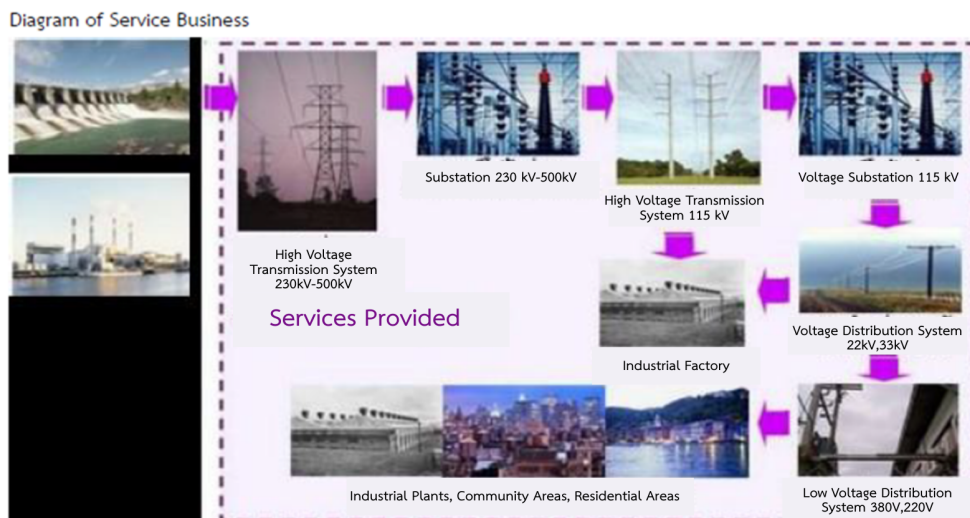
### (3) Renewable Energy

DEMCO provides design, procurement, and construction services for renewable power generation projects, such as solar, wind, husk, biomass, waste-to-energy, and biogas from industrial wastewater treatment plants. Our clients include investors in renewable energy power plants.

Furthermore, since 2003, DEMCO has been registered as an energy conservation consultant with the Department of Alternative Energy Development and Efficiency (DEDE) to provide energy saving studies, planning, installation, and design services to government agencies and large industrial factories.

All electrical engineering works can be categorized into design, construction, and installation of electrical equipment for the system, which accounts for approximately 80% of the total cost. The remaining 10% is for operating expenses, and the other 10% is for civil construction. The company has a policy of subcontracting this part of the work as it is labor-intensive. However, the project manager will closely monitor the performance of the subcontractors to ensure that the work is completed within the timeframe specified in the contract.

### Diagram of Service Business



### Sales

(1) **Steel pole manufacturing and distribution** DEMCO can provide steel poles covering various types as follows:

**Telecommunication Towers** There are 2 types:

- Self-Support Tower is a galvanized steel tower with a height of 35-100 meters, suitable for areas with limited space.
- Guyed Mast Tower is a galvanized steel tower with a height of 16-80 meters, suitable for wide areas. This work will include both projects and customers who order only telecommunication towers from the company. Key customers in this section include SIEMENS UCOM (using DTAC's network), Huawei Technologies (Thailand) Co., Ltd., True Corporation Public Company Limited, CAT Telecom Public Company Limited, TOT Public Company Limited, etc.

Steel poles for distribution systems, transmission systems, and substations. This part will be designed according to the needs of each project (Made-to-Order).

However, since July 2013, DEMCO has transferred the steel structure sales business to its subsidiary, DEMCO Power Co., Ltd.

Currently, it has a steel pole production capacity of 15,000 tons per year and has developed new products to increase revenue for the company, such as pallets for smart parking.

## **(2) Electrical equipment sales**

DEMCO operates a business selling electrical equipment for distribution systems, transmission systems, and substations, including power transformers and all types of standard electrical equipment. In addition, DEMCO supplies and distributes pole hardware, which the company manufactures, to customers who are project owners or contractors in various projects. Currently, DEMCO sells electrical equipment along with the company's steel poles to facilitate customers.

**(3) Communication equipment sales** Types of fiber optic cables and various types of connectors

## **(4) Fuel sales (wood chips)**

In June 2023, DEMCO started a business selling wood chips as fuel to Yala Green Energy Power Plant, which generated 139.2 million baht in revenue for the company in 2024.

## **The business develops projects and invests in renewable energy and infrastructure projects.**

### **• Wind power project**

DEMCO invests in Wind Energy Holding Company Limited, which develops wind power generation projects. The company has eight power generation and distribution projects with a total contracted capacity of 690 megawatts.

### **• Ground-mounted solar power project**

During 2013-2014, DEMCO invested in Udon Thani Solar Power Company Limited, Mekong Green Power Company Limited, and Indochina Green Energy Company Limited, which produce and distribute electricity using solar energy. Each company has a power generation capacity of 0.998 megawatts and is located in Udon Thani and Nong Khai provinces. DEMCO holds a 45.75 percent stake in each company, and each company has been producing and distributing electricity since October 2014.

### **• Rooftop solar power project**

DEMCO has invested in five companies: (1) Frasers Property DEMCO Power 6 Company Limited, (2) Frasers Property DEMCO Power 11 Company Limited, (3) DEMCO Power 15 Company Limited, (4) DEMCO Power 16 Company Limited, and (5) DEMCO Power 17 Company Limited

to generate electricity using rooftop solar power for sale to the Metropolitan Electricity Authority and the Provincial Electricity Authority. Each company has a power generation capacity of 0.248 megawatts, 0.145 megawatts, 0.269 megawatts, 0.269 megawatts, and 0.269 megawatts, respectively. Each company has been producing and distributing electricity since April 2015. In 2023, DEMCO Power 15 Company Limited, DEMCO Power 16 Company Limited, and DEMCO Power 17 Company Limited were dissolved. In addition, DEMCO has been developing 16 investment projects from 2019 to the present, with a total power generation capacity of 7.287 megawatts.

### **• Investment projects in the utilities business**

DEMCO's subsidiary, DEMCO De Lao Limited, was granted a state land concession for the Ban Phanom Water Supply Development Project in Vientiane Capital, Lao PDR. The concession period is 30 years, starting from May 5, 2015, to May 4, 2045, and has been extended for another 10 years until May 4, 2055. The concession also includes an expansion of the water supply area to the high-speed railway station area. The company signed the amended and supplemented concession agreement on December 17, 2021. In 2023, DEMCO De Lao Limited had an average daily water sales volume of 10,779 cubic meters, an increase of 18 percent from the previous year. This was due to the company's expansion of its water production plant and the recovery of the Vientiane Capital economy from the increase in tourist arrivals compared to the previous year.

## **Diagram of The business develops projects and invests in renewable energy and infrastructure projects.**



**Research and development policy in various areas, and details regarding innovation development in processes, products and/or services, or business models.**

Research and development (R&D) policy : No

**Additional explanation about R&D expenses in the past 3 years**

-None-

**1.2.2.2 Marketing policies of the major products or services during the preceding year**

DEMCO's business can be divided into 3 groups: project development and investment in renewable energy and utility projects, service businesses, and sales businesses. Details of the work in each group are as follows:

Wind energy project. DEMCO invests in Wind Energy Holding Co., Ltd., which operates a wind power generation project development business. The company has 8 power generation and distribution projects with a power purchase agreement capacity of 690 megawatts.

**Ground-mounted Solar Projects**

In 2013-2014, DEMCO invested in Udon Thani Solar Power Co., Ltd., Mae Khong Green Power Co., Ltd., and Indochina Green Energy Co., Ltd., which operate businesses of generating and distributing electricity using solar energy. Each company has a power generation capacity of 0.998 megawatts and has project locations in Udon Thani and Nong Khai provinces. DEMCO invested in 45.75 percent of the shares in each company, and each company has been generating and distributing electricity since October 2014.

**Rooftop Solar Projects**

DEMCO has invested in 5 companies: (1) Frasers Property DEMCO Power 6 Co., Ltd. (2) Frasers Property DEMCO Power 11 Co., Ltd. to generate electricity using solar rooftops (Solar Rooftop) for sale to the Metropolitan Electricity Authority and the Provincial Electricity Authority. Each company has a power generation capacity of 0.248 megawatts, 0.145 megawatts, and 0.269 megawatts, respectively. Each company has started generating and distributing electricity since April 2015. In addition, DEMCO has been developing investment projects from 2019 to the present, totaling 16 projects with a total power generation capacity of 7.287 megawatts.

**Investment projects in utility businesses**

DEMCO's subsidiary, DEMCO Delar Co., Ltd., has been granted a state land concession for the Ban Phanom Water Supply Development Project, Luang Prabang City, Luang Prabang Province, Lao PDR, with a concession period of 30 years from May 5, 2015, to May 4,

2048, and has been extended for another 10 years until May 4, 2058, including expanding the water distribution area to the high-speed train station area. The company signed the concession agreement (partially amended and supplemented) on December 17, 2016. In 2024, DEMCO Delar Co., Ltd. had an average daily water sales volume of 10,779 cubic meters, an increase of 18 percent over the previous year, as a result of the company's expansion of its water treatment plant.

**Service business.** DEMCO's service business consists of design, procurement, construction, and installation of turnkey electrical engineering work. The service business is divided into 3 areas: (1) Electrical engineering work for high voltage transmission lines, power plant construction, distribution systems, and underground electrical systems. (2) Mechanical, Electrical, Instrumentation and Telecommunication System (MEIT) work. And (3) Renewable energy work.

Electrical engineering work for high voltage transmission lines, power plant construction, distribution systems, and underground electrical systems. DEMCO provides comprehensive services ranging from design, procurement, construction, and installation of electrical engineering systems, transmission line systems, power substations, distribution line systems, and underground cable systems. All within a single company. In other words, it provides services from the point where electricity leaves the power generation system or power plant, through substations, transmission systems, distribution systems, to electricity users who are residences, industrial businesses, or communities. The main customers of this work, in addition to EGAT, PEA, and MEA, are also private power plants of the IPP and SPP types, and various types of industrial plants.

Mechanical, Electrical, Instrumentation and Telecommunication System (MEIT) work. DEMCO undertakes Mechanical, Electrical, Instrumentation and Telecommunication System (MEIT) work, the volume of which is expanding in line with the investment plan of the National Energy Plan and the Eastern Economic Corridor (EEC) development plan of customers in the oil and natural gas business, as well as customers in various industries such as PTT Public Company Limited and its affiliates.

(1) Mechanical and Piping System work. DEMCO provides design, procurement, construction, and installation services related to mechanical and piping engineering systems that are comprehensive and complete within the company, including HVAC (Heating, Ventilation, and Air-conditioning) systems, industrial and process piping systems, firewater protection and deluge services, large water pump systems, water supply, plumbing, and sanitary systems, and storage tank systems for oil, gas, water, or chemical products.

(2) Electrical and Instrumentation System work. DEMCO provides design, procurement, construction, and installation services related to electrical systems, instrumentation systems, continuous emission monitoring systems (CEMS), including real-time and comprehensive process control systems. (3) Telecommunication System work. DEMCO provides design, procurement, installation, and testing services for communication and telecommunication systems, including fiber optic cable network installation with communication equipment installation, both on electricity poles and underground systems, to both government and private customers on an ongoing basis, such as CAT Telecom Public Company Limited, TOT Public Company Limited, private groups in the natural gas pipeline business, and government agencies such as Bangkok, etc. This includes the provision of design, procurement, construction, and installation of steel structures for UHF radio systems in the natural gas pipeline construction project of PTT Public Company Limited. Currently, DEMCO provides comprehensive services, including Fiber Optic Communication Systems, CCTV Systems, LAN and WAN Systems, IP Telephone and PABX Systems, UHF Radio Systems, and Trunk Radio Systems.

**Renewable energy work.** DEMCO provides design, procurement, and construction services for power generation projects using renewable energy, such as power generation from solar, wind, rice husks, wood chips, waste, or the use of biogas from wastewater fermentation from factories. The customer groups are investors in the renewable energy power plant business. In addition, since 1963, DEMCO has been registered as an energy conservation consultant with the Department of Alternative Energy Development and Efficiency to provide study, planning, installation, and design services for energy conservation to government agencies and large industrial plants. The nature of all electrical engineering work can be classified as design, construction, and installation of electrical equipment for the system, averaging about 80 percent of the cost. The remaining 10 percent is for operating expenses, and the other 10 percent is for civil construction, which the company has a policy of hiring subcontractors for this part of the work because it is quite labor-intensive. However, the project manager will closely and continuously monitor the performance of the subcontractors to ensure that the work is completed on schedule as specified in the contract.

#### Sales Business

(1) Steel structure manufacturing and distribution. DEMCO can provide steel structures covering various types as follows: Telecommunication towers. There are 2 types:

- Self-Support Tower is a galvanized steel structure with a height of 35-100 meters, suitable for areas with limited space.

- Guyed Mast Tower is a galvanized steel structure with a height of 16-80 meters, suitable for wide areas. This section includes both project-based work and customer orders specifically for telecommunication towers. Key customers in this segment include SIEMENS, UCOM (using DTAC's network), Huawei Technologies (Thailand) Co., Ltd., True Corporation Public Company Limited, CAT Telecom Public Company Limited, and TOT Public Company Limited. Steel structures for distribution systems, transmission systems, and substations are designed according to the requirements of each project (Made-to-Order). Since July 2013, DEMCO has transferred its steel structure sales business to its subsidiary, DEMCO Power Co., Ltd. Currently, it has a production capacity of 15,000 tons of steel structures per year and is developing new products to increase revenue for the company, such as Pallets for smart parking.

(2) Distribution of electrical equipment. DEMCO operates a business of distributing electrical equipment for distribution systems, transmission systems, and substations, including power transformers and all types of standard electrical equipment. In addition, DEMCO is a supplier and distributor of pole head fasteners, which the company manufactures, to customers who are project owners or those selected for various projects. Currently, DEMCO distributes electrical equipment along with the company's steel poles to facilitate customers.

(3) Distribution of communication equipment, such as fiber optic cables and various types of connectors.

(4) Fuel sales (wood chips). In June 2023, DEMCO started a business selling wood chips as fuel to the Yala Green Energy Power Plant. The operating results in 2024 were able to generate revenue for the company of 139.2 million baht.

## **The industry competition during the preceding year**

### **Marketing and Competition**

The Company's competitive strategy and business operation policy in 2024 saw an economic recovery, followed by spending by the government and large private sectors, especially investment projects in renewable energy development from the government's policy by the Energy Regulatory Commission (ERC). There are renewable energy procurement projects in the form of Feed-in Tariff (FIT) for the year 2022-2029 with a total capacity of more than 5,000 MW, which will lead to increased investment in wind power, solar power, biomass, biogas, and waste-to-energy. Investment in construction began in 2024-2029. The market for investment in power transmission and distribution systems will grow significantly. However, the construction contracting business still faces risks from significantly higher costs, both in terms of labor, transportation, and construction material prices, steel, and cement. At the same time, the development of Smart Energy technology is growing rapidly to support more efficient energy use. DEMCO must conduct its business with caution to generate sustainable revenue and profits. The main customer groups are still large government and private agencies such as the Electricity Generating Authority of Thailand (EGAT), the Provincial Electricity Authority (PEA), the Metropolitan Electricity Authority (MEA), the Port Authority of Thailand (PAT), and the private sector, including the Rojana Industrial Estate, Independent Power Producers (IPPs) and Small Power Producers (SPPs) such as B.Grimm Power and Gulf. The policy is to focus on larger projects and adjust the strategy to enhance and offer innovative energy products and services as follows:

(1) Focus on customer-centric marketing by identifying customer groups and focusing on large-scale project customers who can utilize the company's expertise in design, procurement, construction, and installation for more than 30 years, and delivering quality work to create customer satisfaction, along with continuous operation and maintenance services. The company is also considering participating in the development and investment in energy procurement projects that are worthwhile for long-term investment.

(2) Enhancing bidding efficiency and joint ventures (2.1) Seeking business opportunities both domestically and internationally in ASEAN countries, applying for licenses to be a clean energy producer and distributor, monitoring bids, and preparing bid performance development reports to develop bidding capabilities. (2.2) Having good relationships with suppliers and subcontractors, preparing bid plans, and collaborating to create competitive advantages, work efficiency, and cost-effectiveness.

(3) Developing strategic business partnerships is another factor that supports DEMCO's ability to compete in both domestic and international markets. DEMCO can bid for large projects, gain access to expertise, advanced technology, and large-scale project management systems. It can also expand its scope to include joint development of various types of large-scale investment projects, as well as sales operations, which will enable the company to expand its marketing channels.

(4) Developing project management capabilities for efficiency. DEMCO has studied and adopted new technologies for project management and work processes to ensure efficient project management and work processes, on-time or early completion, and delivery of quality work to customers, including the provision of other services to reduce costs and create customer satisfaction. It is expected that when customers are confident in the quality of work, they will trust and return to use DEMCO's services or recommend DEMCO to other customers.

## Thai Economy in 2024 and Outlook for 2025

The Thai economy expanded by 2.5 percent in 2024, up from 2.0 percent in 2023. Private consumption and government consumption expanded by 4.4 percent and 2.5 percent, respectively. Government investment expanded by 4.8 percent, while private investment contracted by 1.6 percent. The value of exports in US dollars expanded by 5.8 percent. Average inflation was 0.4 percent, and the current account surplus was 2.3 percent of GDP.

The Thai economy in 2025 is expected to expand in the range of 2.3 - 3.3 percent (median estimate of 2.8 percent). Private consumption and investment are expected to expand by 3.3 percent and 3.2 percent, respectively. The value of exports in US dollars is expected to expand by 3.5 percent. Average inflation is expected to be in the range of 0.5 - 1.5 percent, and the current account surplus is expected to be 2.5 percent of GDP.

### Supporting Factors

- 1) The increase in support from government spending, especially investment spending, is in line with the increase in the annual budget expenditure framework and the annual budget expenditure carry-over for fiscal year 2025 as follows: (1) The increase in the annual budget expenditure framework for fiscal year 2025, totaling 3.57 trillion baht, an increase of 2.4 percent from the previous fiscal year. Based on the assumed disbursement rate in the baseline scenario for the annual budget expenditure of 93.0 percent, divided into 98.0 percent for current expenditure and 75.0 percent for capital expenditure, it is expected that the total budget disbursed into the economic system will be 3.32 trillion baht, an increase of 1.3 percent from the previous year, divided into 2.73 trillion baht for current expenditure (a decrease of 3.4 percent) and 581 billion baht for capital expenditure (an expansion of 30.8 percent). (2) The annual budget expenditure carry-over framework for fiscal year 2025 totals 275 billion baht, the highest level since fiscal year 2020, and an increase of 71.9 percent from the previous fiscal year due to delays in the budget preparation process for fiscal year 2024. This is divided into 41.8 billion baht for current expenditure and 233 billion baht for capital expenditure, representing an expansion of 50.0 percent and 76.5 percent, respectively.
- 2) Expansion of domestic private demand, following the improving trend of private investment and the continued expansion of private consumption. Private investment is expected to return to expansion in 2025, supported by the following key factors: (1) The expansion of imports since the second half of 2024, both in terms of the increase in the volume of imports of capital goods and raw materials and intermediate goods, which expanded by 7.7 percent compared to 0.8 percent in the first half of the year. (2) The increase in the value of applications for, approvals of, and issuance of investment promotion certificates in 2024, especially investments in the digital industry, particularly Data Centers and Cloud Services, the electrical appliances and electronics industry, the automotive and parts industry, and the agricultural and food processing industry. This is in line with the increase in foreign direct investment, which totaled 1.1 trillion baht in 2024, an increase of 34.5 percent from the previous year, and (3) Continuous expansion of industrial estate areas, with a total of 1.75 trillion baht invested in land purchases/leases in industrial estates, covering a total area of 110,869 rai as of December 2024, compared to 1.32 trillion baht and 103,694 rai in the same period of the previous year, representing an increase of 32.6 percent and 6.9 percent, respectively. At the same time, private consumption is expected to continue to support economic expansion, driven by the expansion of consumption of non-durable goods and services, in line with the continued good expansion of the domestic tourism sector. Meanwhile, consumption is also supported by a strong labor market, with the unemployment rate remaining low at 0.78 percent in December 2024, the lowest in 8 years, as well as the continued upward trend in the number of non-farm employment. In addition, inflationary pressures are expected to remain subdued. In addition, the expansion of private consumption is further supported by the government's economic stimulus measures.
- 3) Continued recovery of the tourism sector, in line with (1) the increasing trend in the number of foreign tourists, which is expected to return to a more normal level, as reflected in the number of tourists from most origin countries increasing to pre-COVID-19 levels, as well as the upward trend in foreign tourist spending. This is supported by the global tourism recovery trend and the increase in international flights to Thailand, as well as the government's measures to attract foreign tourists through visa exemption measures to facilitate visa applicants, the continuous organization of tourism promotion activities, and hosting the SEA Games in December 2025, which will result in an increase in tourists. (2) The continuous growth trend of Thai tourists, supported by other tourism support activities. The recovery of the tourism sector has resulted in a continued good expansion of related service sectors, such as transportation, accommodation and food services, as well as trade.
- 4) Continued expansion of the export sector, driven by the high growth in export value since the second half of 2024, especially in key export products such as computers, equipment and parts, rubber and rubber products, machinery and parts, chemicals, as well as telephones, equipment and parts. This is in line with the expansion of new orders in major industrialized countries, as can be seen from the US Manufacturing Purchasing Managers' Index (PMI) for new orders in February 2025, which increased to 55.1 from 52.1 in the previous month, the highest level since June 2022. This is partly due to accelerated imports ahead of the potential escalation of trade protectionist measures between the US and its trading partners in the future. Meanwhile, exports of Thai agricultural products, processed agricultural products, and food, which are considered Thailand's potential product groups,

are expected to continue to expand in line with continued high global demand. However, the outlook for Thai merchandise exports in the coming period remains highly vulnerable to the direction of US economic policy, which needs to be closely monitored.

#### **Limitations and Risk Factors**

1) Risks from global economic and financial volatility. There are risk conditions that need to be monitored and assessed closely, including:

(1) Uncertainty from the implementation of US economic policies, which could have a significant impact on the global economy and trade if there is an escalation of trade protectionist measures against major trading partners and retaliatory measures from affected countries, impacting supply chain changes, global production, and investment directions. (2) The persistence of geopolitical tensions in many regions, including the Middle East, the war between Russia and Ukraine, and tensions in the Taiwan Strait, which, if escalated, will affect energy prices, commodity prices, and logistics costs in the global market.

(3) The implementation of monetary policy by major central banks, which is expected to change in different directions depending on the economic recovery trend and inflation rate in each country, amid the uncertainty of US economic policy, which may put pressure on inflation, which may cause the US Federal Reserve to delay interest rate cuts. Meanwhile, the European Central Bank, the Bank of England, and the People's Bank of China are likely to continue their accommodative monetary policies to support economic recovery. On the other hand, the Bank of Japan is likely to pursue a tighter monetary policy to ease pressure from still-high inflation. The different directions of monetary policy adjustments by major economies are likely to affect exchange rate volatility in developing and emerging market economies, as well as global financial market volatility, and

(4) Risks from the slowdown of the Chinese economy due to low domestic investment, especially in the real estate sector, which has been affected by liquidity problems and high debt levels. This is compounded by the slowdown in domestic consumption due to declining consumer confidence and a slow recovery in the labor market, as well as the impact of uncertainty over the implementation of US trade protectionist measures, which may escalate in the future. The slow recovery in domestic demand in China has resulted in the manufacturing sector continuing to face overcapacity, as reflected in the continuous increase in inventory levels, especially in electronics, computers, and automobiles. This has led to China exporting goods to countries around the world, resulting in price competition that has affected many countries where operators are unable to compete with cheaper Chinese goods.

2) High levels of household and business debt, under stricter lending standards. The household debt-to-GDP ratio in the third quarter of 2023 was 89.0 percent, compared to 91.0 percent in the same quarter of the previous year, but still higher than 83.0 percent in the same quarter of 2019, before the COVID-19 pandemic. Meanwhile, loan quality continued to deteriorate, as reflected in the ratio of non-performing loans (NPLs) and special mention loans (SMLs) to total consumer loans, which continued to increase. In the third quarter of 2023, they stood at 3.3 percent and 7.5 percent of total loan value, respectively, the highest on record. Meanwhile, business loan quality remained low, especially among small and medium-sized enterprises (SMEs), which had high NPL and SML ratios to total loans in the third quarter of 2023 at 7.7 percent and 12.4 percent, up from 7.6 percent and 11.9 percent in the previous quarter, respectively. As a result, commercial banks continued to tighten business lending, particularly in terms of collateral requirements, as a result of the deterioration in overall loan quality. At the same time, lending to households in all categories was tightened, resulting in a decline in outstanding loans in the banking system in the fourth quarter of 2023, particularly in consumer loans, which continued to decline by 2.2 percent.

3) Risks of volatility in the agricultural sector, both in terms of production and prices of major agricultural products.

Agricultural production in 2025 is expected to improve from 2024 due to more favorable weather conditions and sufficient water for cultivation. According to the latest dam water level data as of January 31, 2025, the total water volume in 35 large reservoirs across the country was 52,770 million cubic meters, accounting for 74.40% of the total capacity and an increase of 8.7% compared to the same period last year. However, agricultural prices are at risk of declining in line with the global market trend, especially for rice in the global market, which is expected to decline as major exporters such as India and Vietnam begin to return to normalcy. Meanwhile, additional trade protectionist measures and geopolitical tensions are also key risk factors that could lead to higher agricultural commodity prices, impacting farmers' incomes (NESDC, 2025).

#### **Changes in regulations that affect the industrial sector**

##### **• Energy Sector**

- The Energy Reform Plan for the transition to a Carbon-neutral Economy, expected to come into effect in 2025, includes (1) the Power Development Plan (PDP2024), (2) the Natural Gas Management Plan (Gas plan), (3) the Alternative and Renewable Energy Development Plan (AEDP), (4) the Energy Efficiency Plan (EEP), and (5) the Fuel Oil Management Plan (Oil plan). These plans aim to achieve carbon neutrality in Thailand by 2050 and Net-zero GHG emission by 2068. It is expected to encourage the private sector to increase investment in related fields, such as the power generation business, the natural gas production and import business, and the oil refinery business.

- The revision of the Power Development Plan (PDP2024, expected to be completed and effective in 2025) and the Alternative and Renewable Energy Development Plan (AEDP 2024) will consider allocating renewable energy power plants in 2 phases: (1) 2021-2029 and (2) 2030-2036, stipulating that the proportion of electricity generation from clean energy/new renewable energy in 2036 must



not be less than 50% of the total electricity generation capacity (Source: PDP2024 draft, EPPO). This will enable the private sector to expand production capacity and increase investment in new power plants as follows: (1) Groups with no fuel costs, such as wind power, biogas, and solar power (both ground-mounted with energy storage systems/ground-mounted/rooftop), and (2) Groups generating electricity from waste (municipal waste and industrial waste) and biomass.

- **Service businesses, Construction**

- The government has issued measures to control the quality of imported steel by requiring 55% aluminum-zinc alloy coated steel sheets and hot-dip galvanized cold-rolled steel sheets to meet specified standards (expected to be effective within 2025). This is expected to increase the cost of importing these types of steel.
- The Thai Industrial Standard (TIS) No. 107-2566 (effective November 2, 2024) has revised the standard for "Carbon Steel Pipes for General Structural Purposes" by removing the minimum size limit for steel pipes (both circumference and thickness) to enhance the quality of steel pipes of all sizes to meet the standard. This will help prevent substandard products without standard marks from easily entering the market. It will also increase opportunities for contractors undertaking government projects to use steel pipes of all sizes as there are standards to support them (Krungsri Research, 2025).

### **Power Generation Industry Outlook 2025-2027**

The power generation business is expected to continue to grow due to the increasing demand for electricity, which is expected to average 5.0-6.0% per year. This is driven by:

- (1) The Thai economy is recovering gradually, led by the tourism sector and the gradual recovery of the manufacturing sector.
- (2) The weather tends to be hotter due to global climate change (in 2023, Thailand had an average temperature of 28.1 degrees Celsius, up from 27.4 degrees in 2022).
- (3) The increase in Plug-in Electric Vehicles (BEVs+PHEVs). The government has a policy to continuously support investment in electricity generation to support economic recovery and the transition of the electricity industry to clean energy use, enabling the private sector to expand investment in renewable energy power plants/green power plants. The revenue of each operator group can be summarized as follows:

- IPP revenue is expected to improve continuously, driven by (1) the recovery in electricity demand following economic activity, and (2) operators' plans for continuous investment expansion, such as natural gas-fired power plants in the Northeast and South, renewable energy/hydrogen power generation, and energy storage systems, as well as investments in renewable energy power plants abroad.
- SPP revenue is expected to grow gradually. Operators have opportunities to expand their investments from (1) natural gas-fired power plants (Cogeneration systems), many of which will reach the end of their contract periods in 2025 (selling electricity to industrial estates), (2) SPP hybrid firm renewable energy power plants, and (3) investments in power plants in the EEC.
- VSPP revenue and investment are expected to increase due to (1) the government's plan to purchase more than 10,000 megawatts of electricity from renewable energy sources (solar, wind, biomass, biogas, and waste) by 2027, and (2) corporate income tax exemptions for investments in clean energy production (under the BOI investment promotion scheme). However, small operators may face limitations in terms of insufficient raw materials from biomass and biogas (Krungsri Research, 2025).

### **Renewable Energy Power Plant Business in Thailand in 2025**

Demand for renewable energy from the government sector is expected to expand by 2%, while the private sector is expected to increase by 15% in 2025. The amount of renewable energy electricity sold to the government sector is expected to be 23,555 GWh, an increase from the government's policy promotion. Renewable energy power plants that have started to supply electricity to the grid will add a total of 226.9 MW from the contracted sales volume, consisting of 8 solar power plants and 3 waste-to-energy power plants. For the private sector, renewable energy electricity sales are expected to be 4,177 GWh, growing due to stricter trade regulations, such as the European Union's Carbon Border Adjustment Mechanism (CBAM), which forces the industrial sector to adopt cleaner energy. In addition, increased investment by private organizations in RE100 projects, including data centers, has also contributed to the continued growth of clean energy use.

The most sold renewable energy electricity by operators in 2025 is biomass and solar power, respectively, accounting for 78% of the electricity sold to the government sector and 96% of the electricity sold to the private sector. Apart from this, electricity from wind, waste, and biogas will account for 22% and 4% of the electricity sold to the government and private sectors, respectively. Biomass is the most used fuel for electricity generation because it is more stable and flexible in terms of production than other types of renewable fuels. It is also readily available in terms of raw materials, as Thailand is an agricultural producer. Meanwhile, solar energy is also expected to grow significantly, in line with the target in the AEDP 2024-2030 draft, which aims for 68% of renewable energy electricity in 2030 to come from solar energy.

In 2025, biomass power plants are expected to see increased revenue from both government and private sales, and gross profit margins are also expected to grow. Meanwhile, for solar power businesses, the unit revenue from selling electricity to the government will depend on the purchase price, which is expected to decline, while total revenue from selling electricity to the

private sector is expected to expand in line with increasing demand. For waste-to-energy, wind, and biogas power plants, revenue will mainly come from sales to the government sector. Therefore, the revenue trend depends on energy policies and government support (Econ Digest, 2025).

#### **Growth trend of electricity generation from renewable energy in Thailand in 2025-2028**

Electricity generation from renewable energy sources in Thailand in 2025 is expected to expand by 5% YOY and grow at an average of 7% (CAGR) during 2026-2028. This is due to the increase in production capacity according to the Commercial Operation Date (COD) plan for renewable energy (RE) projects, which are expected to come online at approximately 700-1,000 megawatts per year. The main energy sources include solar, wind, biomass, and municipal waste. In addition, the demand for off-grid electricity (IPS/SPP direct) and Private PPA projects will further drive the use of renewable energy.

The growth trend of renewable energy remains positive until 2029, as the government announced the purchase of an additional 3,731 megawatts of electricity from renewable energy sources, mainly from solar and wind power. The Power Development Plan (PDP 2024) also aims to increase the proportion of renewable energy generation to more than 51% by 2030, with a production capacity of around 3,700 megawatts by 2029 and a gradual increase of more than 31,000 megawatts between 2030 and 2036.

In addition to Thailand, the continuous expansion of renewable energy generation worldwide, especially in Asia and Australia, presents opportunities for Thai operators to invest in renewable energy. However, the power plant business still faces risk factors that need to be monitored, particularly the expiration of projects receiving Adder rates of over 2,000 megawatts, which will gradually expire in 2024-2025. This may affect the revenue of solar and wind power plants that rely on Adder (SCBEIC, 2024).

#### **Risks of the Renewable Energy Power Plant Business in the Medium to Long Term**

- Currently, private power producers are not allowed to sell electricity directly to users through the government grid. State-owned enterprises, which own the electricity grid, do not allow private companies to lease it due to concerns about the security and stability of the electricity system. As a result, there is currently no Third Party Access (TPA) or permission for private power producers or other energy service providers to freely access and use the state's transmission grid.

- Competition with the government's green electricity projects (UGT) in the electricity sales market for the private sector.

Although the initial launch of the UGT service will mainly focus on selling existing hydropower in the EGAT system, which will not have a significant impact, in the future, other types of electricity will be offered for sale, resulting in a greater impact. Government services will have an advantage in terms of comprehensive infrastructure and the ability to supply large amounts of electricity reliably, which may lead large private electricity users to switch to UGT services instead of entering into long-term Private PPAs.

- Waste to Energy (WtE) is currently not included in the EU Taxonomy (EU, 2024) as green energy. This means that WtE will not be subject to the European Union's Carbon Border Adjustment Mechanism (CBAM). As a result, manufacturers in industries involved in exporting goods to Europe may not choose to use electricity from waste as green energy because it does not meet the EU's environmental standards (Econ Digest, 2025).

#### **Electric Vehicle Industry Outlook 2025-2027**

By 2027, it is expected that there will be approximately 500,000 electric vehicles (EVs) produced annually. This production is intended to offset EV imports under the EV 3.0 (at a rate of 1-1.5 times) and EV 3.5 (2-3 times) measures. Meanwhile, new registrations of Battery Electric Vehicles (BEVs), Hybrid Electric Vehicles (HEVs), and Plug-in Hybrid Electric Vehicles (PHEVs) are expected to increase by an average of 85,000, 160,000, and 9,600 units per year, respectively. This is driven by (1) the EV 3.5 measure, (2) the continuous development of new models for HEVs and BEVs with improved efficiency, (3) the declining cost and price per unit of EVs, contrary to the increasing battery capacity, and (4) the enforcement of the Euro 6 standard in 2025, which will result in higher prices for Internal Combustion Engine (ICE) vehicles. Meanwhile, new registrations of electric buses and electric commercial vehicles will increase to 1,100 and 2,100 units per year, respectively, due to (1) the policy to support electric pickup trucks under the EV 3.5 measure and tax reduction measures for entrepreneurs who purchase electric buses or electric trucks for use in their organizations, (2) the improvement of driving range to better meet commercial use, (3) the increasing trend of charging stations, especially in provincial areas, and (4) the increasing provision of electric bus services to the public, both in terms of regular bus services and services in key areas (Krungsri Research, 2025).

#### **Steel Industry Outlook**

Domestic steel production in 2025 is expected to improve slightly, mainly due to increased demand in the construction sector. However, there are still pressures from Chinese steel, which continues to penetrate the market. Steel production is expected to be around 5.8 million tons (+0.8% YOY) from demand in the construction sector. Meanwhile, cheaper steel from abroad continues to be imported, impacting Thailand's steel production capacity, which has been declining continuously to less than 30%, which is considered quite critical at present. In addition, the establishment of production plants to avoid geopolitical conflicts and aggressive marketing by Chinese steel producers and traders have further exacerbated the crisis in the Thai steel industry. Steel prices in 2025 are expected to decline in line with the trend of raw material and energy prices, forcing operators in the steel industry to find ways to manage costs and drain inventory to keep pace with the changing selling prices of steel, which are likely to decline.

Currently, Thai steel manufacturers have started to improve their production processes to be more environmentally friendly. They have also compiled GHG emission data to create opportunities to be a part of the steel industry's Green supply chain and increase their competitiveness amid the global trend towards Carbon neutrality (Settrade, 2024).

### 1.2.2.3 Procurement of products or services

DEMCO has a policy of managing service revenue from the public and private sectors in similar proportions to reduce the risk of customer concentration and to maintain the growth rate of the Company's service revenue and an appropriate level of profit margin. By **Target Customer Groups, Sales, and Distribution Channels** For DEMCO's service business, customers can be divided into 2 categories:

(1) Private customers include industrial factories, Independent Power Producers (IPPs), Small Power Producers (SPPs), and industrial estates.

(2) Public customers include government agencies and state-owned enterprises such as the Provincial Electricity Authority, Electricity Generating Authority of Thailand, and Metropolitan Electricity Authority.

Over the past 3 years, DEMCO has participated in bidding and been awarded projects as follows:

- In 2022, DEMCO participated in the bidding for 106 projects with a total project value of 5,198.52 million baht. Of these, DEMCO won a total of 74 projects, representing a total contract value of 1,620.89 million baht, or 32.25 percent of the total value of all bids submitted.
- In 2023, DEMCO participated in the bidding for 345 projects with a total project value of 19,431.44 million baht. Of these, DEMCO won a total of 76 projects, representing a total contract value of 1,668.56 million baht, or 9 percent of the total value of all bids submitted.
- In 2024, DEMCO participated in the bidding for 302 projects with a total project value of 25,363.27 million baht. Of these, DEMCO won a total of 170 projects, representing a total contract value of 2,143.39 million baht, or 17.01 percent of the total value of all bids submitted.

### The company's production capacity

	Production capacity	Total utilization (Percent)
Demco Power Public Company Limited (KG)	13,935,730,947.00	92.90

DEMCO Power Limited (a subsidiary) manufactures and distributes steel structures for use in electrical engineering works, including transmission systems, distribution systems, and substations, some of which require steel structures as components. The company also provides telecommunication towers, including telecommunication towers, communication towers, and steel structures for outdoor billboards. Currently, the company has a production capacity of 15,000 tons of steel structures per year.

### Acquisition of raw materials or provision of service

None

### Proportion of domestic and overseas procurement

Countries	Name of raw material	Value (Baht)
Thailand	null	0.00

### 1.2.2.4 Assets used in business undertaking

#### Core permanent assets

Details are shown in Annex 4.

#### Core intangible assets

Details appear as Attachment 4

### Investment policy in the subsidiaries and associated companies

Investment policy in the subsidiaries and associated : Yes  
companies

The Company has a policy of investing in subsidiaries, associated companies, and jointly controlled companies. The objective is to expand the business and receive regular dividend income to reduce the risk of operating a service business, including investing in businesses that support the Group's business operations.

The shareholding proportions of subsidiaries and associated companies are illustrated in the Group Structure section.

#### 1.2.2.5 Under-construction projects

Under-construction projects : Yes

As of December 31, 2024, Demco had a total of 83 projects under construction, valued at 3,841 million baht.

#### Details of under-construction projects

Total projects : 83

Values of total ongoing projects : 7,770.00

Realized value : 3,929.00

Unrealized value of remaining projects : 3,841.00

Additional details : -

#### Details specification of under-construction projects

Project name	Project revenue recognition (Percent)	Estimated duration (Year)	Estimated completion time	Project value (Million Baht)	Additional details
EGAT Electricity Generating Authority of Thailand	0.00	2 Year 0 Month	Feb 2027	940,000,000.00	-
Laem Chabang Development	0.22	2 Year 0 Month	Nov 2026	944,800,000.00	-
Siam Power Generation Public Company Limited	0.47	1 Year 2 Month	Apr 2026	270,000,000.00	-
BGSAR 6 Company Limited	73.94	5 Year 0 Month	Nov 2026	729,657,342.55	-
BGSAR 81 Company Limited	77.21	3 Year 3 Month	May 2025	578,292,943.46	-

#### Diagram of the details of under-construction projects

Project Type	31 December 2025	
	Number of Projects	Value (Million Baht)
Electrical Engineering Works	52	3,748
Telecommunications and Signaling Works	6	54
other	25	39
<b>รวม</b>	<b>83</b>	<b>3,841</b>

## 1.3 Shareholding structure

### 1.3.1 Shareholding structure of the group of companies

#### Policy on operational organization within the group of companies

Demco's investment policy in subsidiaries, associates, and joint ventures aims to expand its business and generate consistent dividend returns to mitigate risks associated with service operations. The company also invests in businesses that complement its core operations.

Demco's wholly-owned subsidiary is Demco Energy and Utility Co., Ltd. (formerly known as Demco Industry Co., Ltd., renamed on March 1, 2021). It has a registered capital of 329 million baht and a paid-up capital of 148.596 million baht. The company operates in the field of renewable energy and utilities.

The second subsidiary is Demco Power Co., Ltd., with a registered capital of 200 million baht. It engages in the production and distribution of steel structures, high-voltage power lines, and steel structures for electrical substations. It also supplies construction materials, hardware equipment, and galvanized steel products.

The third subsidiary is Demco De Lao Co., Ltd., with a registered capital of 15 million US dollars and a paid-up capital of 12.22 million US dollars. The company has been granted a land concession for the Ban Pha Nam Water Supply Development Project in Luang Prabang City, Luang Prabang Province, Lao PDR. The concession period is 30 years, from May 5, 2015, to May 4, 2045, with an additional 10-year extension until May 4, 2055.

#### Investments in Associates and Joint Ventures

##### Investment in Associates

Eolus Power Co., Ltd. (Eolus) – Demco holds a 25% stake in Eolus Power Co., Ltd. Eolus, in turn, holds a 60% stake in First Korat Wind Co., Ltd. (First) and K.R. Two Co., Ltd. (K.R. Two). These two companies operate the Huay Bong 3 and Huay Bong 2 wind power projects, each with an installed capacity of 103.5 MW and a 90 MW power purchase agreement with the Electricity Generating Authority of Thailand (EGAT).

The projects are located in Huay Bong Subdistrict, Dan Khun Thot District, Nakhon Ratchasima Province. Siemens Wind Power A/S (Siemens) supplied and installed 45 wind turbines for each project. Demco was responsible for the construction of the electrical and civil infrastructure necessary to connect and supply power to EGAT's Chai Badan Substation in Lopburi Province.

Demco's investment in Eolus aims to generate stable long-term cash flow from dividends while expanding its construction business into the rapidly growing renewable energy sector. This investment also enhances Demco's expertise and track record in renewable energy projects, both domestically and internationally. The Huay Bong 3 and Huay Bong 2 wind power projects commenced commercial electricity production and sales to EGAT on November 15, 2012, and February 8, 2013, respectively.

##### Investment in Joint Ventures

Demco has also invested in joint ventures for solar power generation, including:

- Frasers Property Demco Power 6 Co., Ltd.
- Frasers Property Demco Power 11 Co., Ltd.

These joint ventures focus on solar rooftop power generation, selling electricity to the Metropolitan Electricity Authority (MEA) and the Provincial Electricity Authority (PEA). Each company has an electricity generation capacity of 0.248 MW and 0.165 MW, respectively.

Additionally, Demco has invested in three more joint ventures specializing in solar farm power generation, namely:

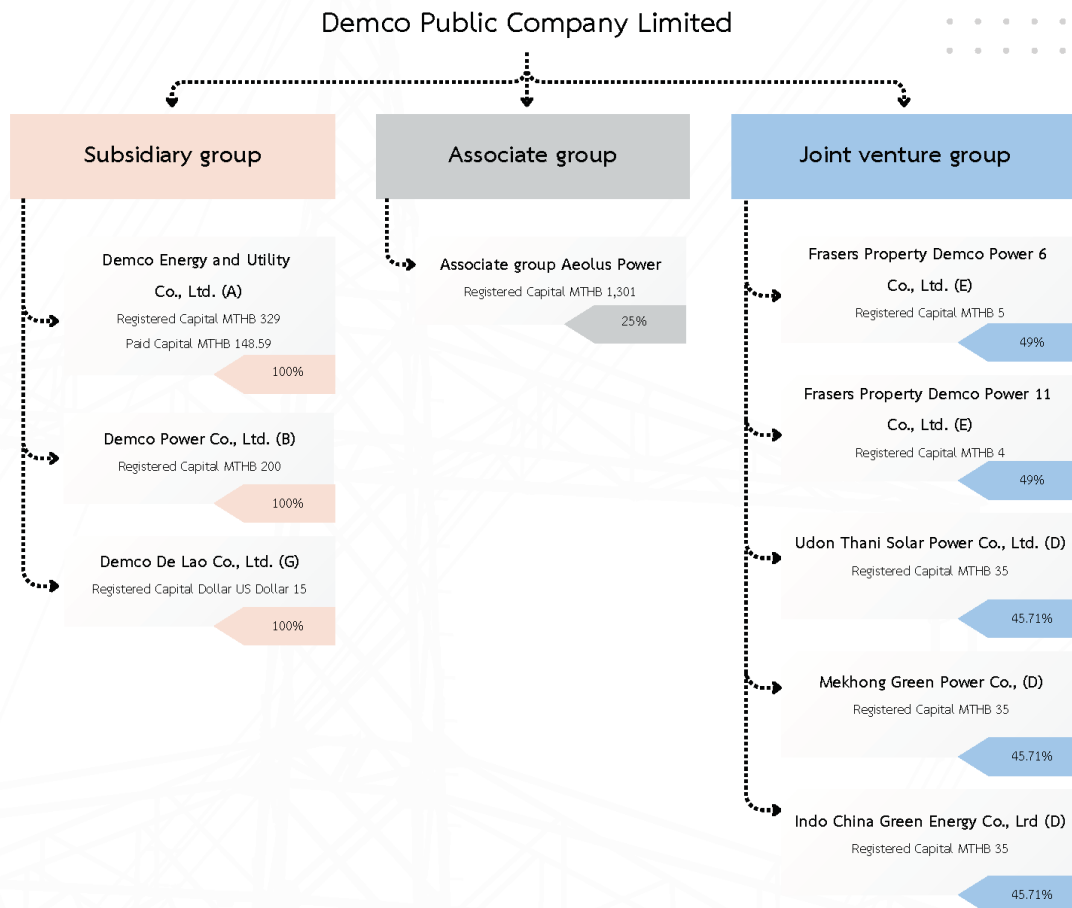
- Udon Thani Solar Power Co., Ltd.
- Mekong Green Power Co., Ltd.
- Indochina Green Energy Co., Ltd.

Each of these companies operates a 0.998 MW solar farm located in Udon Thani and Nong Khai provinces. Demco holds a 45.71% stake in each company, and they all began commercial electricity production and sales in October 2014.

The shareholding structure of Demco's subsidiaries and associates is illustrated below.

#### Shareholding diagram of the group of companies

## BUSINESS STRUCTURE



**Remark**

A : service business

B : Steel tower manufacturing and trading business

C : wind farm business

D : Solar farm business

E : Solar Rooftop business

F : Other renewable energy power plant business

G : Concession business

**Remark**

A : The company name was changed from "Demco Industry Co., Ltd." on April 7, 2021.

### Subsidiaries

Company name	Juristic person who holds shares of the company	Shareholding proportion (%)	Voting right proportion (%)
Demco Energy and Utility Company Limited	DEMCO PUBLIC COMPANY LIMITED	100.00%	100.00%
Demco Power Company Limited	DEMCO PUBLIC COMPANY LIMITED	100.00%	100.00%
Demco De Lao Company Limited	DEMCO PUBLIC COMPANY LIMITED	100.00%	100.00%

### Associated companies

Company name	Juristic person who holds shares of the company	Shareholding proportion (%)	Voting right proportion (%)
Aeolus Power Co., Ltd.	DEMCO PUBLIC COMPANY LIMITED	25.00%	25.00%

### Joint venture companies

Company name	Juristic person who holds shares of the company	Shareholding proportion (%)	Voting right proportion (%)
Frasers Property Demco Power 6 Company Limited	DEMCO PUBLIC COMPANY LIMITED	49.00%	49.00%
Frasers Property Demco Power 11 Company Limited	DEMCO PUBLIC COMPANY LIMITED	49.00%	49.00%
Indo China Green Energy Company Limited	DEMCO PUBLIC COMPANY LIMITED	45.71%	45.71%
Mekhong Green Power Company Limited	DEMCO PUBLIC COMPANY LIMITED	45.71%	45.71%
Udon Thani Solar Power Company Limited	DEMCO PUBLIC COMPANY LIMITED	45.71%	45.71%

### Company that holds 10% or more of the total shares sold

Name and the location of the head office	Type of business	Type of shares	The number of shares	The number of shares sold
Aeolus Power Co., Ltd. 87/1 25th floor, Capital Tower, All Seasons Place, Wireless Road, Lumpini, Pathumwan Bangkok 10330 Telephone : 02-106-8000 Facsimile number : 02-106-8000	Invests in companies engaged in the generation and distribution of electricity.	Common shares	1,301,301,300	1,301,301,300
Frasers Property Demco Power 6 Company Limited 59 Moo.1, Suanphrikhai, Muangpathumthani Pathum Thani 12000 Telephone : 0-2959-5811 Facsimile number : 0-2959-5816	Engaged in the generation and distribution of electricity from solar energy.	Common shares	5,000,000	5,000,000



Name and the location of the head office	Type of business	Type of shares	The number of shares	The number of shares sold
Fraser's Property Demco Power 11 Company Limited 59 Moo.1, Suanphrikthai, Muangpathumthani Pathum Thani 12000 Telephone : 0-2959-5811 Facsimile number : 0-2959-5816	Engaged in the generation and distribution of electricity from solar energy.	Common shares	4,000,000	4,000,000
Indo China Green Energy Company Limited 1132 Moo 5 Nai Mueang Subdistrict, Mueang Nong Khai District Nong Khai 43000 Telephone : 0-4242-0932 Facsimile number : 0-4246-1343	Engaged in the generation and distribution of electricity from solar energy (Solar Farm).	Common shares	35,000,000	35,000,000
Mekhong Green Power Company Limited 1168 Moo 3 Nai Mueang Subdistrict, Mueang Nong Khai District Nong Khai 43000 Telephone : 0-4242-0932 Facsimile number : 0-4246-1343	Engaged in the generation and distribution of electricity from solar energy (Solar Farm).	Common shares	35,000,000	35,000,000
Udon Thani Solar Power Company Limited 1168 Moo 3 Nai Mueang Subdistrict, Mueang Nong Khai District Nong Khai 43000 Telephone : 0-4242-0932 Facsimile number : 0-4246-1343	Engaged in the generation and distribution of electricity from solar energy (Solar Farm).	Common shares	35,000,000	35,000,000
Demco Energy and Utility Company Limited 59 Moo 1, Suan Prik Thai Subdistrict, Mueang Pathum Thani District, Pathum Thani Province 12000. Pathum Thani 12000 Telephone : 0-2959-5811 Facsimile number : 0-2959-5816	Operates businesses in renewable energy and utility systems.	Common shares	329,000,000	148,596,150
Demco Power Company Limited 59 Moo 1, Suan Prik Thai Subdistrict, Mueang Pathum Thani District, Pathum Thani Province 12000. Pathum Thani 12000 Telephone : 0-2959-5811 Facsimile number : 0-2959-5816	Manufactures and distributes galvanized steel structures and electrical equipment.	Common shares	200,000,000	200,000,000
Demco De Lao Company Limited Ban Sangkhalok, Luang Prabang City, Luang Prabang Province, Lao PDR. Telephone : 071-260500 Facsimile number : 071-260500	Distributes tap water.	Common shares	639,600,000	422,776,442

### 1.3.2 Shareholding by a person with a potential conflict of interest holding exceeding 10 percent of the voting shares in a subsidiary or associated company

Does the company have a person with potential : No  
conflicts of interest holding shares in a subsidiary or  
associated company?

### 1.3.3 Relationship with major shareholders' business

Does the company have a relationship with a business : No  
group of a major shareholder?

### 1.3.4 Shareholders

#### List of major shareholders

Group/List of major shareholders	Number of shares (shares)	% of shares
1. NUSASIRI PUBLIC COMPANY LIMITED	170,000,000	22.64
2. MRS. PRAPHEE PUIPUNTHAVONG	110,423,966	14.70
3. THANA POWER HOLDING Company Limited	59,508,700	7.92
4. MR. VAROON SONSOPHON	39,100,000	5.21
5. Thai NVDR Company Limited	33,578,964	4.47
6. MR. SAWASD PUIPUNTHAVONG	31,395,688	4.18
7. MR. PRADEJ KITTI-ITSARANON	16,165,600	2.15
8. MISS JANEJIRA KITTI-ITSARANON	13,350,200	1.78
9. MR. MONGKOL CHIRAPHADHANAKUL	6,731,000	0.90
10. MR. THEERACHAI VARUNYOO RATTANA	6,626,000	0.88
11. MR. Suwat Joradol	6,400,968	0.85
12. MISS Orasa TRITRUNGTHATSANA	5,791,600	0.77
13. MR. PHONGSAK SIRICUPTA	4,417,399	0.59
14. MR. BOONCHAI KASAMVILAS	3,781,800	0.50

#### Major shareholders' agreement

Does the company have major shareholders' : No  
agreements?

## 1.4 Amounts of registered capital and paid-up capital

### 1.4.1 Registered capital and paid-up capital

#### Registered capital and paid-up capital

Registered capital (Million Baht)	:	876,413,101.00
Paid-up capital (Million Baht)	:	750,978,655.00
Common shares (number of shares)	:	750,978,655
Value of common shares (per share) (baht)	:	1.00

#### Has the company listed in other stock exchange?

Has the company listed in other stock exchange? : No

### 1.4.2 Other types of share whose rights or terms differ from those of ordinary share

Other types of share whose rights or terms differ from those of : No  
ordinary share

### 1.4.3 Shareholding by Thai NVDR Company Limited (NVDR)

Are shares held by Thai NVDR Company Limited (NVDR)?	:	Yes
Number of shares (Share)	:	33,578,964
Calculated as a percentage (%)	:	4.47

#### The impacts on the voting rights of the shareholders

-

## 1.5 Issuance of other securities

### 1.5.1 Convertible securities

Convertible securities : Yes

#### Convertible securities

Item 1	
Name of warrant and convertible debenture	The warrant to purchase ordinary shares of Demco Public Company Limited No.7 (DEMCO-W7), in the named certificate and transferable.
Issuance date	9 Jun 2023
Maturity date	8 Dec 2024
Exercise ratio (unit:share)	1 : 1
Exercise price (baht:share)	3.5
Exercise date	last business day of September, December 2023 and March, June, September 2024 ("Exercise Date") and the last Exercise on December 8th,2024 ("Exercise Date"). In the event, the Exercise Date or last Exercise Date (December 8th,2024) is not a Business Day, such last Exercise Date shall be postponed to
Notification period for the intention to exercise the warrants	The period of time during which the warrant holders who wish to exercise their rights to purchase the Company's ordinary shares will deliver the notification of the intention to exercise the warrants between 9.30 a.m. and 3.30 p.m. within 10 working days prior to each exe
Number of warrants issued (units)	146,068,850
Number of the newly issued ordinary shares to accommodate the exercise of warrants (shares)	137,140,064
Number of unexercised warrants (units)	0
Number of remaining shares reserved (shares)	125,434,446
Additional details	<p>In 2024, a total of 20,634,404 units of DEMCO-W7 warrants were exercised to purchase common shares, resulting in the issuance of 20,634,404 shares. The company received a total amount of 72,220,414 baht from this exercise.</p> <p>The DEMCO-W7 warrants reached their final exercise period on December 6, 2024, marking the conclusion of the program.</p>

### 1.5.2 Debt securities

Debt securities : No

## 1.6 Dividend policy

### The dividend policy of the company

DEMCO has a clear dividend payment policy. In order to protect the interests of shareholders, the Company has established the following dividend payment policy:

DEMCO has a policy to pay dividends of not less than 40 percent of net profit from the Company's separate financial statements after deducting corporate income tax, legal reserves, and all other reserves. However, DEMCO may determine to pay dividends at a rate lower than the aforementioned rate, depending on the need for working capital, business expansion, and other relevant factors in DEMCO's management. The resolution of the Board of Directors approving the dividend payment must be submitted for approval by the shareholders' meeting, except for the payment of interim dividends, which the Board of Directors has the power to approve. The payment of interim dividends will be reported to the shareholders' meeting for acknowledgement at the next meeting. In the past, DEMCO has considered paying dividends to shareholders of not less than 40 percent of net profit after tax and reserves as stipulated in the terms of the agreement, including paying dividends to shareholders of less than 40 percent of net profit after tax. This is because DEMCO needs to use working capital for operations and business expansion, which has been approved by the shareholders' meeting.

For the 2024 operating year, at the Board of Directors' Meeting No. 1/2025 held on February 27, 2025, the Board of Directors resolved to approve the non-payment of dividends for the year 2024 (period from January 1, 2024 to December 31, 2024) to shareholders. This is because the Company still has accumulated losses remaining and is therefore unable to pay dividends according to the law.

### The dividend policy of subsidiaries

The dividend payment policy of subsidiaries, in the case of subsidiaries in which the Company has full control and which are not listed on the Stock Exchange of Thailand, is to determine the dividend payment policy to be the maximum from net profit after appropriation of legal reserves or as required to operate the business.

For subsidiaries, the Board of Directors of the subsidiaries has a dividend payment policy based on the operating results of each company. The dividend payout ratio depends on the financial position and future investment plans of the subsidiaries.

### Historical dividend payment information

	2020	2021	2022	2023	2024
Net profit per share (baht : share)	0.0100	0.0700	-0.1000	-0.9000	0.0000
Dividend per share (baht : share)	0.0000	0.0300	0.0000	0.0000	0.0000
Ratio of stock dividend payment (existing share : stock dividend)	0.0000	0.0000	0.0000	0.0000	0.0000
Value of stock dividend per share (baht : share)	0.0000	0.0000	0.0000	0.0000	0.0000
Total dividend payment (baht : share)	0.0000	0.0300	0.0000	0.0000	0.0000
Dividend payout ratio compared to net profit (%)	0.00	43.02	0.00	0.00	0.00

## 2. Risk management

### 2.1 Risk management policy and plan

#### Risk management policy and plan

DEMCO Group places great importance on systematic and effective risk management, with a comprehensive framework for risk management structure, governance, performance evaluation, monitoring, and reporting. The company has established an independent risk management function that reports directly to the Management Committee, with the Assistant Managing Director of Risk Management serving as the secretary of the Corporate Risk Management Committee.

DEMCO's risk oversight is conducted through quarterly meetings of the Corporate Risk Management Committee to govern, guide, and monitor operations, with regular reports to the Board of Directors. Additionally, joint meetings are held with the Audit Committee to report and review the risk management system, ensuring that the company has adequate and appropriate risk management plans and that they are strictly adhered to. Suggestions and comments from internal audits are applied to continuously improve and develop risk management processes to align with the changing business environment and achieve organizational goals. The company's risk management policy is reviewed annually. In 2024, it was approved by both the Corporate Risk Management Committee and the Board of Directors. It consists of nine key policies: promoting a risk management culture throughout the organization by providing knowledge and raising awareness among personnel at all levels; establishing highly effective and internationally recognized risk management processes and guidelines; identifying key business risks and sustainability risks covering environmental, social, and governance (ESG) issues.

Furthermore, the company requires all units to report unusual events that may pose risks leading to impacts or damage to the organization. It has developed key risk indicators, both quantitative and qualitative, set risk appetite or risk capacity to limit potential damage, and established early warning signs for potential events to enable timely risk management measures. Risk management operations also encompass the establishment of written operating procedures for executives and employees to adhere to, as well as monitoring, auditing, and controlling the organization's risk management practices to comply with established policies. These measures help ensure that the company's risk management is effective and covers all dimensions of risk.

In 2024, DEMCO reviewed its vision, mission, strategic plan, risk management policy, and comprehensive business impact assessment to adapt to changing circumstances or those that may arise in the future. The company also continuously improves its Business Continuity Plan and conducts drills according to the plan within the scope of various identified scenarios, reflecting its commitment to preparing for uncertainties and enhancing business resilience.

DEMCO's risk management function also recognizes the importance of project management and has developed a Project Risk Management Manual, which is currently under consideration for approval. Once approved, this manual will be an important tool for more effective project-level risk management. DEMCO places the utmost importance on the Board of Directors' oversight of the adequacy of the risk management system and the annual review of the effectiveness of risk management by the Board of Directors. This ensures that the company has implemented risk management tools to support and drive business operations effectively and concretely. Effective risk management not only helps mitigate the impact of potential risks but also serves as a crucial foundation for building long-term business sustainability.

#### Risk Management Structure

DEMCO Group has established a systematic and comprehensive risk management structure, dividing risk management into three interconnected and coordinated levels: corporate, management, and business unit. This ensures that the company's risk management is effective and covers all aspects of its business operations.

At the corporate level, the Board of Directors has established the Corporate Risk Management Committee (CRMC) to oversee and support risk management operations in alignment with business strategies and goals. This committee also plays a vital role in overseeing compliance with anti-fraud, corruption, and bribery measures, as well as adapting to changing circumstances. To link policies to practice, the Corporate Risk Management Committee has appointed the Risk Management Committee (RMC), chaired by the Chief Executive Officer and the Management Committee, and composed of top executives from each operational process (Risk Owners) as members, with the Head of Risk Management serving as the committee and secretary. This committee is responsible for operating within the framework, policies, and principles of established risk management, including internal control, governance, and monitoring of various operations, for presentation to the Corporate Risk Management Committee for approval and regular reporting of operational results.

Operational risk management is carried out through the Business Unit Risk Management Working Group, which plays a crucial role in

identifying risk situations, analyzing and assessing risks in various dimensions, and predicting potential impacts. This working group is also responsible for seeking ways to prevent and mitigate risks, as well as alleviating impacts that may cause damage to the agency at the operational level. It also allocates adequate resources to each unit to support effective risk management. This integrated three-tier risk management structure enables DEMCO to comprehensively and timely monitor, assess, and manage risks from the policy level to the operational level. As a result, the company can achieve its business goals stably and sustainably amidst a rapidly changing business environment, preventing risks and mitigating potential impacts that may cause damage to the organization at the operational level, while allocating sufficient resources to each unit.

### **Risk Management Culture**

DEMCO's Board of Directors has established a policy to ensure that all aspects of the organization's operations are conducted efficiently and professionally, recognizing that risk management is a crucial element in enabling the company to achieve its defined goals and serves as a mechanism to create value for all stakeholders. With this commitment, DEMCO prioritizes cultivating and raising awareness of risk management among executives and employees at all levels comprehensively.

The company has laid the foundation for systematic and comprehensive risk management, starting with the establishment of a clear risk management policy, standardized risk management processes, and the development of various supporting tools. These include a risk management manual covering all aspects of business operations, a business continuity plan for crisis response, an anti-fraud, corruption, and bribery manual reflecting the company's stance on good governance, and a human rights risk assessment manual demonstrating its commitment to sustainability.

To ensure that the establishment of a risk management culture is tangible, the company has produced a risk management newsletter to disseminate useful concepts and practices. It also organizes various training programs, including online learning (E-Learning) accessible anytime and anywhere, and workshops that provide opportunities for personnel to practice their skills and share experiences.

Continuous efforts to promote risk awareness and skills have taken root, becoming a strong corporate culture. This enables executives and employees at all levels not only to understand but also to naturally apply risk management principles in their daily work. This deeply ingrained risk management culture not only enables DEMCO to effectively manage challenges and uncertainties but also builds confidence among all stakeholders and supports the organization's sustainable long-term growth.

### **Risk Management & Internal Control Culture**

The Board of Directors and management of DEMCO Group have jointly driven a strong risk culture within the organization, focusing on establishing an effective risk management governance and internal control system, as well as ensuring strict compliance with regulations. This corporate culture enhances business strength and builds confidence among all stakeholders.

A key approach to building DEMCO's corporate culture of risk governance is the systematic application of the Three Lines Model.

This model divides work into three interconnected and mutually supportive levels: the First Line, which is directly responsible for operations and managing risks in daily activities; the Second Line, which supports and monitors risk management in the first line; and the Third Line, which provides independent assurance on the effectiveness of risk management and internal control.

To enhance the effectiveness of this three-line model, DEMCO has encouraged the appropriate application of information technology systems. These technologies help connect the operations of all three levels to be consistent and seamless, resulting in more effective and efficient governance and internal control. They also help prevent operations that do not comply with the laws or regulations of the group, reduce the opportunity for fraud, and prevent human rights violations in all business processes.

Another crucial element in building a corporate culture of risk governance is continuous personnel development. DEMCO prioritizes enhancing the knowledge, abilities, and necessary skills of personnel at all levels of the three-line model to enable them to perform their duties professionally and effectively. This personnel development not only focuses on knowledge of risk management and internal control but also encompasses the optimal utilization of tools and information technology systems in their work.

By integrating the three-line model concept, modern information technology, and continuous personnel development, DEMCO has established a strong corporate culture of risk management oversight and internal control. This enables the organization to be prepared to face challenges and changes in a highly competitive and rapidly changing business environment, serving as a vital foundation for sustainable long-term growth.

### **Independent Risk Management Structure**

DEMCO has structured its risk management framework based on the Three Lines Model, an internationally recognized best practice, to maximize risk management effectiveness and independence. It clearly defines the roles and responsibilities of various units to ensure checks and balances within a good governance and internal control framework.

DEMCO's risk management structure is divided into 3 levels or 3 lines of defense, each with different roles and responsibilities but interconnected and mutually supportive, as follows:

**1.First Line of Defense (1st)** This level consists of operating units and project managers who are the direct Risk Owners. Units

at this level are responsible for identifying risks related to their work, managing existing risks, and ensuring their work complies with established rules and systems. They must also adhere to the organization's risk management processes and regularly report on their performance. Therefore, units in the first line play a crucial role in establishing a Risk Owners Culture, which is fundamental to effective risk management.

**2.Second Line of Defense (2nd)** This level comprises units responsible for setting policies, rules, and standards for risk management. At DEMCO, these units include the Corporate Strategy Department and the Risk Management Department. Units at this level provide advice and collaborate with units in the first line, transfer necessary knowledge and skills in risk management, and communicate policy and standard changes. They also play a vital role in monitoring changes in external factors, such as laws and regulations, which may lead to new risks or changes in risk levels. Therefore, units in the second line play a crucial role in establishing a standard culture by establishing appropriate risk management policies and processes, creating collaboration among all stakeholders, and identifying trends and potential changes that may affect the organization.

**3.Third Line of Defense (3rd)** This level comprises the internal audit unit. At DEMCO, this is the Audit Office, an independent unit that reports directly to the Audit Committee and administratively to the Chief Executive Officer (CEO). Units at this level provide independent audits and recommendations by reviewing the work processes of units in the first and second lines to determine if they are in compliance and sufficiently effective. They also monitor the implementation and processes of risk management, provide assurance on the adequacy and appropriateness of risk management, and verify the reasonableness and systematic nature of risk and internal control reporting. Therefore, units in the third line play a crucial role in establishing an Assurance Service Culture, which enhances the credibility of the organization's risk management system.

Collaboration among these three lines is crucial to the effectiveness of risk management. There is regular information exchange between risk management and audit units to ensure that key risk issues are continuously identified and addressed. Risk management units provide recommendations and collaborate with units in the first line, who are the direct risk owners, and coordinate with specialized units in the second line to ensure comprehensive and effective risk management. This independent risk management structure enables DEMCO to comprehensively and timely identify and manage risks, preventing non-compliance with laws or regulations, reducing the opportunity for fraud, and preventing human rights violations. This serves as a crucial foundation for building confidence among all stakeholders and supporting the organization's sustainable growth.



## 2.2 Risk factors

### 2.2.1 Risk that might affect the company's business, including environmental, social and corporate governance issues

#### Risk 1 Strategic Risk

Related risk topics : [Strategic Risk](#)

- Reliance on large partners / distributors or few partners / distributors
- Competition risk

#### Risk characteristics

Demco acknowledges the volatility of economic, social, and political conditions, as well as changes in government policies, particularly in the energy sector, which may impact the company's strategic planning and business operations. Risks in this area include a limited number of projects in which the company can participate, challenges in selecting qualified partners, investment limitations of some partners, reliance on partner technologies that affect operating costs, and readiness to enter new businesses that require specialized personnel. Furthermore, this includes high competition in bidding for large-scale projects and challenges in developing human resources to replace retiring personnel.

#### Risk-related consequences

The volatility of economic, social, and political conditions, as well as changes in government policies, particularly in the energy sector, may impact the company's strategic planning and business operations. Risks in this area include a limited number of projects in which the company can participate, challenges in selecting qualified partners, investment constraints of some partners, reliance on partner technologies that affect operating costs, and readiness to enter new businesses that require specialized personnel. Furthermore, it includes intense competition in bidding for large-scale projects and challenges in developing human resources to replace retiring personnel.

#### Risk management measures

The Board of Directors and management have carefully planned strategies and operational plans, considering past performance coupled with an analysis of the relevant environment. The company constantly monitors economic, social, and political situations, along with studying customer needs to offer services that meet their demands. The company expands its customer base to new private sectors, employing the Engineering Procurement Construction, Financing (EPCF) strategy by undertaking construction projects and providing financing sources to clients. Moreover, it supports marketing activities and participates in seminars to increase opportunities for job seeking and bidding. The company continuously monitors government and private sector bidding, analyzing the reasons for success and failure in bids to enhance competitiveness. There is a pricing department to comprehensively calculate costs before submitting bids, and a special project engineering group for large-scale projects to create a competitive advantage. The company expands its market with a Customer Focus marketing team that emphasizes large customers, builds strong relationships with government and private agencies, increases MEIT construction business by seeking partners to increase job opportunities, and utilizes Smart technology to differentiate itself to customers. The company reviews its strategic plan every 6 months or when there are events that may impact the business. It monitors the progress of related technologies and explores the feasibility of investing in technology startups. Additionally, there are plans to develop future leaders through the People Transformation project and improve the performance appraisal system for greater effectiveness.

#### Risk 2 Financial, Accounting, and Budgetary Risks

Related risk topics : [Financial Risk](#)

- Insufficient sources of funding
- Default on payment or exchange of goods

#### Risk characteristics

DEMCO is committed to conducting business with a balance between construction contracting and investment to generate returns that meet the needs of stakeholders and create sustainability for the company. In conducting business, the company needs to use working capital to bid on, prepare for, and procure materials for projects. A key risk is that revenue may not be as estimated for investment projects, which will affect both current and future revenue. The ability to obtain new projects, business expansion, the ability to find sources of funds, and debt repayment.

#### Risk-related consequences

In conducting business, the company needs to use working capital to bid on projects, prepare for work, and procure materials to execute projects. A significant risk is that revenue may not be as estimated for investment projects, which will affect both

current and future revenue. The ability to obtain new projects, business expansion, the ability to find funding sources, and debt repayment.

#### **Risk management measures**

The company monitors relevant news and regulations to formulate operational plans in accordance with changing external factors. It prioritizes comprehensive and meticulous cost analysis for construction and regularly prepares/reviews Project Cash Flow to align with actual operations.

The company has a plan in place to restructure its finances to suit the current situation and support future business expansion. It reviews the cost structure, assesses allowances in the financial model, and reports to senior management on a monthly basis. Additionally, the company builds relationships with business partners interested in investing and develops project management skills for project managers through continuous training.

#### **Risk 3 Operational Risk**

Related risk topics : Operational Risk

- Reliance on employees in key positions
- Shortage or reliance on skilled workers
- Human error in business operations
- Delays in the development of future projects
- Safety, occupational health, and working environment

#### **Risk characteristics**

Operational risks arise from the inability to operate as planned, which may result from various factors such as construction work affecting customer operations, delays in work area delivery, errors in operating systems or from personnel, such as incorrect project cost calculations, mismanagement of the project, resulting in reduced profits, unrealistic costs, and operational delays leading to penalties. This also includes risks from unforeseen events such as accidents at work or theft of materials and equipment.

#### **Risk-related consequences**

Construction work that impacts customer operations, delays in work area delivery, errors in operating systems or from personnel, such as incorrect project cost calculations, mismanagement of the project, which results in reduced profits, inaccurate costs, and delays in operations leading to adjustments. In addition, it includes risks from unforeseen circumstances such as work accidents or theft of materials and equipment.

#### **Risk management measures**

1. The company plans weekly work schedules, specifying job types, work areas, and analyzing potential impacts. It also seeks prior permission from clients, assigns the engineering department manager to oversee project manager's work, and plans for various permits, allowing for delays. In cases of project delays due to factors from the project owner, such as changes in construction plans or late site deliveries, the company will charge additional fees as stipulated in the contract. If the delay is caused by the company's own operations, the cause will be investigated, the problem will be promptly resolved, and lessons learned will be documented as case studies to prevent recurrence.
2. The company continuously develops the potential of project managers through training and case study learning, along with the adoption of new technologies. It improves work processes and streamlines documents, creates standard forms, and requires regular project progress reports.
3. To manage the risk of damage or theft of materials and equipment, the company has project insurance, checks coverage to correspond with potential damage, analyzes risk points in the work area, and implements appropriate preventive measures such as scheduling security patrols or installing CCTV cameras.
4. The risk management team audits various projects, especially those experiencing cost overruns, and reports to the executives to identify causes and solutions, while monitoring other projects to prevent similar issues.
5. In terms of safety, the company fosters a safety culture in the workplace. It conducts safety risk analyses in collaboration with the safety and environment unit, provides training to enhance employees' safety knowledge and skills, and maintains equipment and tools in optimal working condition.
6. For personnel risks, the company improves welfare, work environment, and salary structure to align with the labor market. It implements a Hybrid Work model and develops career paths to retain talented personnel within the organization.

#### **Risk 4 Emerging risk**

- Related risk topics : Strategic Risk
- Changes in technologies
  - ESG risk
  - Climate change and disasters

#### **Risk characteristics**

##### **Technology Disruption Risk**

Technological advancements and the rapid transformation of the digital landscape impact business competitiveness. New technologies such as robotics, 5G, and artificial intelligence (AI) create both opportunities and challenges for organizations. Furthermore, cyber threats pose a risk that could lead to the leakage of confidential company information.

##### **Climate Change Risk**

The increasing severity and frequency of climate change directly impact business operations, such as changes in the amount and intensity of sunlight and inconsistent wind speeds, which affect electricity production and revenue from electricity sales.

##### **Transition Risk**

The transition to a low-carbon society and changes in government laws and policies related to climate change have implications for business operations, such as increased costs from carbon emission audits.

#### **Risk-related consequences**

The competitive landscape of DEMCO may result in missed customer acquisition opportunities, excessive resource utilization, and challenges in keeping pace with advancements such as robotic workforce adoption, 5G technology, Artificial Intelligence (AI) implementation, and cybersecurity threats that could lead to data breaches.

Climate change directly impacts business operations, such as changes in solar irradiance and inconsistent wind speeds, affecting electricity generation, leading to deviations from projected output and impacting electricity sales revenue.

The transition to a low-carbon society has financial implications, leading to higher operating costs, which may incur expenses related to carbon emission monitoring.

Consumer demand for environmentally friendly products and services throughout the supply chain, including greenhouse gas emission certifications.

#### **Risk management measures**

DEMCO provides training for employees in using various developed applications, such as developing access to information on various projects in the form of dashboards, such as work progress of various projects, project cash flow, etc. This is to facilitate operations and make it easier to track information, as well as to enhance awareness of information technology security for all employees in the organization. The company also improves the workflow of internal departments to utilize information technology more, develops designs using software and new working methods to reduce costs and construction time, and enables efficient work from anywhere.

The company sets aside provisions in the calculation model, studies statistical data from reliable sources, prioritizes operation & maintenance, and closely monitors power generation efficiency. In addition, the company utilizes technology to track efficiency and design solar panel installation areas to suit the conditions of each project.

The company invests in clean and renewable energy, monitors data to analyze and adjust operational approaches to reduce greenhouse gas emissions, seeks business partners in product development to reduce costs, and participates in greenhouse gas emission registration with the Greenhouse Gas Management Organization. In addition, the company considers improving and developing construction to be environmentally friendly to meet the needs of consumers who place increasing importance on environmental conservation, which creates opportunities for business growth in the long term.

Consumer demand for environmentally friendly products and services throughout the entire production chain, including having greenhouse gas emission certificates and competition with environmentally friendly products and services, has financial impacts, leading to higher operating costs. This may result in increased expenses for using products with environmental standards.

Establish collaborations with partners, such as suppliers with environmental standards, to help reduce costs and add value to goods and services. Also, study government benefits such as subsidies or investment promotion measures related to clean energy.

### **2.2.2 Risk to securities holders**

Are there any risk factors affecting securities holders? : No

### **2.2.3 Risk to securities holders from investing in foreign securities (applicable to only foreign companies)**

Are there any risk factors affecting securities holders : No  
from investing in foreign securities?

## 3. Business sustainability development

### 3.1 Policy and goals of sustainable management

#### Sustainability Policy

Demco is committed to developing a sustainable business management approach by adopting the sufficiency economy philosophy of His Majesty King Bhumibol Adulyadej the Great. This philosophy emphasizes moderation, reasonableness, and building resilience through knowledge and morality. With a commitment to conducting business with a middle path approach and prudence, under good corporate governance, Demco's ultimate goal is sustainability. This entails creating shared value in economic, social, and environmental aspects across Demco's value chain. To elevate sustainable development, the Board of Directors has established a corporate sustainability development policy, adopting international best practices and formulating sustainability strategies. These strategies aim to enhance business competitiveness and generate value for all stakeholders, serving as guidelines for the Demco Group's business operations.

Sustainability Policy : Yes

DEMCO has established a corporate sustainability development policy to guide responsible and transparent business practices throughout the value chain, while promoting shared value for all stakeholders. This policy covers the following key areas:

- **Good Corporate Governance:** Adhere to the principles of good governance, transparency, fairness, and accountability, promote GRC awareness, and integrate digital technology to enhance business operations.
- **Health, Safety, and Human Rights:** Implement a management system that prioritizes the safety of employees and workers, respects human rights throughout the supply chain, and upholds non-discrimination.
- **Environmental Responsibility:** Aim to reduce greenhouse gas emissions, promote efficient resource utilization, adopt a circular economy approach, and invest in environmentally friendly businesses.
- **Economic and Innovation Development:** Enhance organizational efficiency, promote innovation and technology to create added value and long-term sustainability.
- **Social and Community Promotion:** Develop employee potential, enhance community participation, and foster collaboration with the government, private sector, and civil society.
- **Transparent Disclosure:** Report sustainability performance in accordance with international standards and communicate it to stakeholders.
- **Cultivating Organizational Culture:** Foster morality, ethics, social and environmental responsibility through continuous training and communication. The Board of Directors, executives, and employees at all levels are responsible for supporting and acting in accordance with this policy to ensure the sustainable growth of DEMCO's business in all dimensions.

#### Sustainability management goals

Demco prioritizes creating a balance between business operations and caring for society, the environment, and stakeholders. With a commitment to sustainable business growth, the company has established clear sustainability goals. These goals encompass crucial dimensions, including economic, social, and environmental aspects, to support the Sustainable Development Goals (SDGs) and respond to the expectations of stakeholders in the long term.

Does the company set sustainability management goals : Yes

#### Strategies and Pathways to Sustainable Development

Strategies and Pathways to Sustainable Development: Under the framework of sustainable development, the Board of Directors has set strategic directions for business operations and expansion to support the transition to a Smart Energy Service Business. This involves using a materiality assessment process to address future challenges and striving to create continuous Stakeholder Value Creation.

To achieve DEMCO's sustainable development vision, which focuses on strengthening its potential and long-term operational plans, DEMCO is committed to conducting business based on balanced organizational management. This takes into account building strength and sustainable growth, along with responsibility for the economy, society, and the environment, as well as good governance. The company places importance on developing its business to be sustainable to support the achievement of the United Nations' Sustainable Development Goals (SDGs) in a tangible way. These include:

##### Sustainability Management Strategies (3E) for 2023 – 2025

1. Ensure Good Governance: Building corporate governance and transparency within the organization, building confidence in

effective governance to ensure that all activities are transparent, fair, and auditable throughout the supply chain. It also aims to raise awareness in adhering to GRC principles, creating business growth and strength by utilizing digital technology in work processes, promoting the potential of partners and customers, and driving ethical business practices towards sustainable development.

2. Engage Society: Maintaining employee engagement while creating value for the community and society. Laying the foundation for health and safety management for employees and workers in the work process, while also focusing on a business approach that respects human rights throughout the supply chain, leading to long-term growth together.

3. Enhance Environmental: Enhancing environmental management to align with global trends, aiming to create business growth through environmental responsibility throughout the value chain. This includes focusing on reducing greenhouse gas emissions, using natural resources efficiently by applying the circular economy concept in business operations, and increasing revenue from investments in environmentally friendly businesses to reduce greenhouse gas emissions.

**Setting goals and conducting business that support the United Nations' Sustainable Development Goals (SDGs)**

DEMCO is committed to sustainable development and growth and aims to be a part of supporting the United Nations' Sustainable Development Goals (SDGs). The company focuses on conducting business in line with the relevant SDGs and responding to the vision, strategies, and material sustainability issues and stakeholder expectations. DEMCO supports all 12 Sustainable Development Goals by integrating them into its current plans and projects, as well as setting guidelines for future operations. This ensures that DEMCO's operational processes are in line with international standards, creating value for all stakeholders and driving the Sustainable Development Goals to achieve tangible success in the long run.

United Nations SDGs that align with the organization's sustainability management goals	: Goal 3 Good Health and Well-being, Goal 4 Quality Education, Goal 5 Gender Equality, Goal 6 Clean Water and Sanitation, Goal 7 Affordable and Clean Energy, Goal 8 Decent Work and Economic Growth, Goal 9 Industry, Innovation and Infrastructure, Goal 11 Sustainable Cities and Communities, Goal 12 Responsible Consumption and Production, Goal 13 Climate Action, Goal 16 Peace, Justice and Strong Institutions, Goal 17 Partnerships for the Goals
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**Review of policy and/or goals of sustainable management over the past year**

In 2024, DEMCO adjusted and added sustainability goals in several dimensions to align with the organization's vision and mission, which emphasizes operations based on sustainable development principles. It also responds to changes in the economic, social, and environmental contexts, both domestically and internationally. The sustainability goals for 2024 are designed to support Thailand's Net Zero Emissions targets and align with the Sustainable Development Goals (SDGs) framework of the United Nations. In 2024, DEMCO has set a total of 34 sustainability indicators covering all dimensions: economic, social, and environmental.

Furthermore, sustainability indicators have been designated as one of the key metrics used in the annual performance evaluation of senior executives to reflect the organization's commitment to driving true sustainability. This objective was approved by the Board of Directors at its 2/2567 meeting on April 19, 2567, marking another significant step for DEMCO in strengthening sustainability in all dimensions and driving the organization to grow alongside creating long-term benefits for stakeholders.

Has the company reviewed the policy and/or goals of sustainable management over the past year	: Yes
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Has the company changed and developed the policy and/or goals of sustainable management over the past year	: Yes
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In 2024, Demco has adjusted and added sustainability management targets in several dimensions to enhance its commitment to sustainable development as follows:

**1. Sustainable Supply Chain Management**

- Increased the target for the procurement of environmentally friendly materials, equipment, and office supplies to more than 31%.
- Increased the target for key partners to be assessed for sustainability, covering economic, social, and environmental (ESG) issues, to 100%.

## **2. Risk Management**

- Added a target to develop a project risk management manual to enhance the efficiency of the risk management process.

## **3. Environment**

- Added a target to develop one project to reduce corporate greenhouse gas emissions (CFO).
- Set a target to register carbon credit trading according to the plan to support the reduction of environmental impacts.

## **4. Community Engagement**

• Increased the target for providing public services to the community from 20 Man Hour/year in 2023 to 50 Man Hour/year in 2024.

• The number of community social activities has been adjusted from 4 activities to 3 activities to be appropriate for the resources and needs of the community.

## **5. Water and Energy Reduction**

- Set a target to reduce water and energy consumption by 5% compared to 2023.
- Increased the target for the amount of waste and recyclable waste by 5%.

## **6. Safety Goals**

- Increased the target for the Lost Time Injury Frequency Rate (LTIFR) of employees and contractors in 2024.

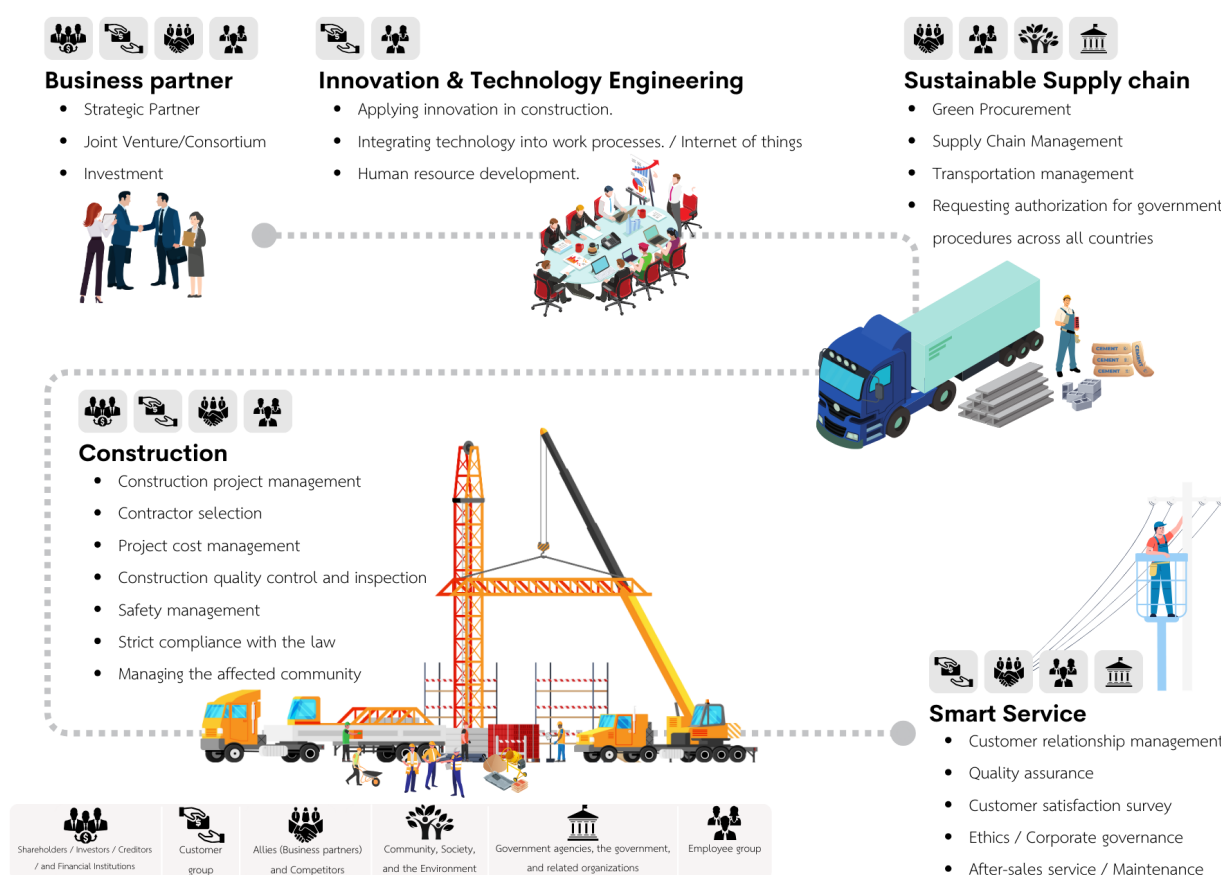
These target adjustments reflect Demco's commitment to sustainable development in all dimensions, including environmental, social, and corporate governance, by focusing on creating a positive impact on stakeholders and communities continuously.

## 3.2 Management of impacts on stakeholders in the business value chain

### 3.2.1 Business value chain

In conducting business from upstream to downstream throughout the value chain, businesses face various sustainability challenges in both social and environmental dimensions. These challenges have an impact and become risk factors or opportunities for the business. Therefore, businesses must integrate good corporate governance and responsible business conduct towards stakeholders, society, and the environment into their corporate policies and strategies. They must also systematically drive sustainable business operations with tangible results. The heart of driving business towards sustainability is that everyone in the organization, from the board of directors, executives, and employees, must participate in moving the business forward and growing sustainably. This assures stakeholders that DEMCO operates based on good corporate governance, is responsible for society and the environment, and can manage key sustainability issues to maintain competitiveness and develop growth potential, even as the business environment changes.

#### Business value chain diagram



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

Denko recognizes that stakeholder engagement is the foundation of good corporate governance and enhances understanding of the needs of stakeholder groups. Engagement is a process or approach to doing business that enables continuous communication with Denko's stakeholders and provides insights into the expectations, needs, concerns, and potential impacts of stakeholder groups. This information is then used to analyze key issues for the development of Denko's sustainability. The engagement process is defined as follows:

- 1) Identifying stakeholders by assessing the impact that stakeholders receive or create on Denko
- 2) Prioritizing stakeholders to analyze and rank the importance of stakeholder groups with whom Denko needs to engage



and determine appropriate measures to implement engagement processes with key stakeholders.

- 3) Stakeholder engagement using appropriate methods through various channels
- 4) Listening to clearly understand the needs and expectations of different stakeholder groups
- 5) Responding to the needs and expectations of different stakeholder groups effectively
- 6) Risk management, including opportunities for risk arising from stakeholder engagement
- 7) Monitoring and improving stakeholder engagement processes

In addition to creating external stakeholder engagement, Denko also prioritizes internal stakeholder engagement. This will lead to collaboration between different departments at all levels of the organization, which is an important component in driving the organization sustainably.

## **Details of stakeholder analysis in the business value chain**

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<b>Internal stakeholders</b>			
<ul style="list-style-type: none"> <li>• Employees</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of life for employees, including health and safety in the work environment</li> <li>• Good compensation and benefits</li> <li>• Career advancement and stability</li> <li>• Fair performance evaluation system</li> <li>• Employee potential development</li> </ul>	<ul style="list-style-type: none"> <li>• Establish a Welfare Committee to oversee and enhance employee welfare.</li> <li>• Regularly review and improve compensation and benefits.</li> <li>• Provide a safe and suitable work environment.</li> <li>• Define clear and fair performance evaluation criteria.</li> <li>• Plan career advancement opportunities.</li> <li>• Provide training and development programs to enhance employee skills.</li> <li>• Foster employee engagement and loyalty to the organization.</li> <li>• Conduct regular employee satisfaction surveys.</li> <li>• Establish channels for employees to express their opinions and feedback.</li> <li>• Continuously ensure employee safety and well-being.</li> <li>• Treat all employees with equality and respect their dignity.</li> </ul>	<ul style="list-style-type: none"> <li>• Online Communication</li> <li>• Internal Meeting</li> <li>• Complaint Reception</li> <li>• Employee Engagement Survey</li> <li>• Training / Seminar</li> <li>• Others <ul style="list-style-type: none"> <li>• HR Change Management Project</li> <li>• Internal communication: Intranet, email, website / DEMCO Journal</li> <li>• Welfare Committee in the Workplace</li> <li>• Whistleblower Reporting</li> </ul> </li> </ul>

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<b>External stakeholders</b>			
<ul style="list-style-type: none"> <li>• Creditor</li> <li>• Investors or investment institutions</li> <li>• Shareholders</li> </ul>	<ul style="list-style-type: none"> <li>• Deliver strong performance and pay dividends.</li> <li>• Expand and develop the business with stability and sustainable growth.</li> <li>• Conduct business with transparency and good corporate governance.</li> <li>• Treat all shareholders equally.</li> <li>• Have a good internal control and audit system.</li> <li>• Have an effective risk management system.</li> <li>• Conduct business with consideration for environmental, social, and governance (ESG) factors.</li> <li>• Disclose the company's operational performance in terms of finance, environment, society, and governance (ESG).</li> </ul>	<ul style="list-style-type: none"> <li>• Good Corporate Governance</li> <li>• Risk Management and Compliance</li> <li>• Stability and Project Readiness</li> <li>• Communication and Credibility Building</li> <li>• Disclosure of the Company's Performance in Financial, Environmental, Social, and Governance (ESG) Aspects</li> <li>• Engagement with Financial Institutions, Both Bank and Non-Bank, to Communicate Business Direction</li> </ul>	<ul style="list-style-type: none"> <li>• Online Communication</li> <li>• Annual General Meeting (AGM)</li> <li>• Others <ul style="list-style-type: none"> <li>• Announcement of Quarterly Financial Results</li> <li>• Meetings with analysts / investors through various activities such as Opportunity Day</li> <li>• Risk Management and Control System</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Customers</li> </ul>	<ul style="list-style-type: none"> <li>• Production and delivery in accordance with agreed-upon quantity and quality standards.</li> <li>• Prompt responsiveness to customer needs.</li> <li>• Equitable treatment of all customer groups, in compliance with relevant laws.</li> <li>• Technological advancement to minimize environmental impact.</li> <li>• Equipping employees to adapt to evolving circumstances.</li> </ul>	<ul style="list-style-type: none"> <li>• Control production and delivery to meet contractual agreements, adhering to quality standards trusted by customers.</li> <li>• Assemble a team ready to provide services and resolve issues swiftly to ensure maximum satisfaction.</li> <li>• Conduct business with transparency and adhere to equality to provide fair service to all customer groups.</li> <li>• Develop modern products and services that meet customer needs.</li> <li>• Listen and improve based on customer feedback.</li> </ul>	<ul style="list-style-type: none"> <li>• Complaint Reception</li> <li>• Satisfaction Survey</li> <li>• Others <ul style="list-style-type: none"> <li>• Team building activities</li> <li>• Company's Annual Report / Sustainability Report</li> <li>• Company website</li> </ul> </li> </ul>

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<ul style="list-style-type: none"> <li>• Competitors</li> <li>• Suppliers</li> <li>• Business partners</li> <li>• Contractors</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct fair business competition with ethics and good governance principles.</li> <li>• Fair and transparent competition with no discrimination.</li> <li>• Communication with business partners.</li> <li>• Efficient, transparent, and auditable procurement system.</li> <li>• Safety of employees, partners, and contractors.</li> </ul>	<ul style="list-style-type: none"> <li>• Establish clear policies and procedures for transparent and fair competition.</li> <li>• Provide equal opportunities to all partners based on merit and quality, using fair and consistent partner selection criteria.</li> <li>• Establish clear communication channels, such as websites, email, or online systems, for information dissemination.</li> <li>• Define clear safety standards for operations in all projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Complaint Reception</li> <li>• Others <ul style="list-style-type: none"> <li>• Supplier Evaluation and Ranking</li> <li>• Annual Vendor Evaluation</li> <li>• Policy / Code of Conduct and Supplier Guidelines</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Government agencies and Regulators</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with regulations, rules, laws, and policies of regulatory agencies</li> <li>• Social and environmental responsibility</li> <li>• Sustainable community engagement</li> <li>• Environmental and safety management system</li> <li>• Cooperation and support for government agency projects</li> <li>• DEMCO's operations that contribute to mitigating climate change</li> </ul>	<ul style="list-style-type: none"> <li>• Strictly comply with the laws and regulations of the Stock Exchange of Thailand.</li> <li>• Cooperate and support relevant agencies by providing accurate, complete, and beneficial information to the country and the public.</li> <li>• Report information completely, accurately, and within the specified timeframe to demonstrate transparency and adhere to legal requirements.</li> <li>• Promote participation in projects or activities that support sustainable development in accordance with government policies.</li> <li>• Establish ethical standards for employees and executives to prevent any actions that may violate laws and organizational regulations.</li> </ul>	<ul style="list-style-type: none"> <li>• Training / Seminar</li> <li>• Others <ul style="list-style-type: none"> <li>• Meetings/Visits on Important Occasions</li> <li>• Company website</li> </ul> </li> </ul>

### 3.3 Management of environmental sustainability

#### Importance

With a commitment to conducting business in tandem with seeking opportunities to expand investments in environmentally friendly businesses continuously. In addition to expanding investments in alternative energy, including wind energy, solar energy, biomass energy, to help reduce pollution caused by the use of energy from fossil fuels, which is air pollution, a major cause of global warming. For the steel pole manufacturing plant of Demco Group, it has also placed importance on the environment by operating production according to the ISO14001 quality system, which emphasizes the importance of the environment as a priority. The management approach of Demco Group focuses on responsibility in 3 main areas: Environment, Social, and Governance (ESG) in driving the organization to create strength and sustainable growth.

#### 3.3.1 Environmental policy and guidelines

Demco prioritizes environmental conservation and sustainable development by adhering to social and environmental responsibility in all operational processes. We are committed to reducing environmental impact through efficient resource utilization, waste reduction, and the promotion of environmentally friendly practices, both at the organizational and community levels. This policy is designed to make all employees aware of their role in environmental stewardship, while supporting operations that help create a balance between business growth and the sustainability of nature for the long-term benefit of the world.

#### Environmental policy and guidelines

Environmental policy and guidelines	:	Yes
Environmental guidelines	:	Electricity management, Water resources and water quality management, Waste management, Biodiversity management, Greenhouse gas and climate change management

#### Environmental Policy

Demco has established a safety and environmental policy and sustainable development goals to drive the achievement of the United Nations Sustainable Development Goals (SDGs). The environmental issues that Demco focuses on include Goal 6: Clean Water and Sanitation, Goal 7: Affordable and Clean Energy, Goal 12: Responsible Consumption and Production, Goal 13: Climate Action, and Goal 15: Life on Land.

#### Environmental Practices

Demco is committed to conducting business that does not impact the environment. We have an integrated environmental management system covering energy, air, water, and waste management, including the efficient and sustainable use of resources following the Circular Economy. This involves maximizing resource utilization throughout the supply chain, reducing greenhouse gas emissions, and enhancing our adaptability to climate change. We strive to foster a culture of environmental responsibility by disseminating information and encouraging employees and stakeholders to be aware of and participate in the company's culture of environmental responsibility. We adhere to the principles of proper practice in accordance with relevant environmental regulations and laws. We also place importance on not creating environmental burdens, pollution, safety hazards, or even visual pollution that may arise in the workplace and construction sites where Demco operates, including communities and local organizations. In addition, we have established a policy to operate in accordance with the environmental management system by strictly adhering to laws and regulations.

#### Review of environmental policies, guidelines, and/or goals over the past year

Review of environmental policies, guidelines, and/or goals over the past year	:	Yes
Changes in environmental policies, guidelines, and/or goals	:	Electricity management, Water resources and water quality management, Waste management, Biodiversity management, Greenhouse gas and climate change management

In 2024, Demco has shifted its environmental management goals to elevate its commitment to sustainable development as follows:

##### 1. Climate Change Management:

Set a target to develop one project to reduce corporate greenhouse gas (GHG) emissions (CFO) and set a target to register carbon credit trading as planned to support the reduction of environmental impacts.

## 2. Environmental Management:

Water and energy reduction: Set a target to reduce water and energy consumption by 5% compared to 2023 and increase the target for recyclable waste and materials by 5%.

## 3. Biodiversity Management

Set a target for investment projects located adjacent to communities and projects located adjacent to natural resources to have 100% conservation of nature, environment, and community ecosystems.

### 3.3.2 Environmental operating results

#### Information on energy management

##### Energy Management Approach

Currently, energy demand continues to grow due to its crucial role in driving businesses and sustaining life in modern society. Demco recognizes the importance of efficient energy consumption and is committed to managing energy within the organization to promote sustainable energy conservation. Demco has established clear policies and practices for energy management, focusing on energy efficiency while developing clean energy technologies and innovations. This approach aims to enhance energy management capabilities and support sustainable growth in the future. Furthermore, Demco has implemented performance monitoring based on internationally recognized indicators to elevate its commitment to energy efficiency. This process also fosters continuity in energy development and conservation, which is crucial for achieving a balance between business growth and long-term environmental stewardship.

##### Energy management plan

###### Energy Management Plan

Demco recognizes the importance of efficient energy use, which is a key factor in supporting sustainable development and reducing environmental impact. The company is committed to developing a comprehensive energy management process based on the principles of energy conservation, renewable energy use, and improving energy efficiency in all aspects of its operations. This is to align with international standards and the organization's sustainability goals.

The company's energy management plan : Yes

##### Energy Reduction Initiatives

Demco prioritizes efficient electricity management by implementing measures to reduce energy consumption and improve work processes with sustainability in mind, as follows:

1. Improving the building environment: Installing shade nets on the exterior windows on the west side of the building to prevent heat from entering the building and reduce energy consumption for air conditioning.
2. Energy saving promotion activities: Organizing campaigns to raise awareness about energy conservation on a regular basis, setting on-off times for electricity in the main office building for cost-effective energy use.
3. Switching to LED lights: Replacing all lights in the Pathum Thani office with LED lights to increase energy efficiency.
4. Installing a solar power generation system: Installing a solar power system at the Pathum Thani office with a total production capacity of 282.02 kilowatts peak (kWp) covering the following areas:

- o Warehouse building: 53.20 kWp
- o Area opposite the office: 54.90 kWp
- o Electric Vehicle (EV) Charging Station: 18.97 kWp
- o Parking lot along the fence: 154.95 kWp

These projects help reduce energy consumption from non-renewable sources, reduce greenhouse gas emissions, and support the use of clean energy, which is part of our commitment to sustainable business development and long-term environmental conservation.

##### Setting goals for managing electricity and/or oil and fuel

Does the company set goals for electricity and/or fuel : Yes  
management

## Details of setting goals for electricity and/or fuel management

Target(s)	Base year(s)	Target year(s)
Reduction of electricity purchased and fuel consumption	2023 : energy consumption 437,864.00 Kilowatt-hour	2024 : Reduced by 5% or 415,970.80 Kilowatt-hour

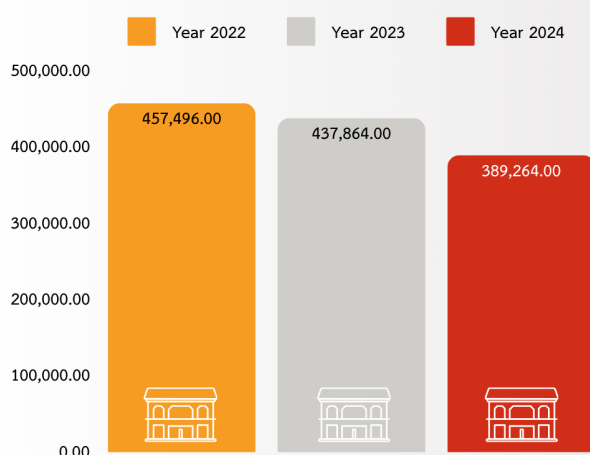
## Performance and outcomes of energy management

Performance and outcomes of energy management : Yes

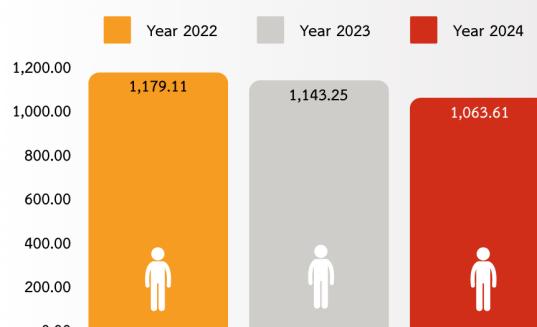
Demco aims to reduce electricity consumption per employee by 5% compared to 2023. The results in 2024 found that the total electricity consumption was 395,664.00 kilowatt-hours, a decrease of 9.46% or 20,306.80 kilowatt-hours, which exceeded the target. This reflects the success in improving the efficiency of electricity consumption. These results demonstrate the commitment of Demco Public Company Limited to effectively manage energy and resources to create long-term environmental and social sustainability.

## Diagram of Performance and outcomes of energy management

Total electricity consumption of the organization (kWh)



Total electricity consumption per employee (kWh)



Create a publicity banner for energy conservation campaign

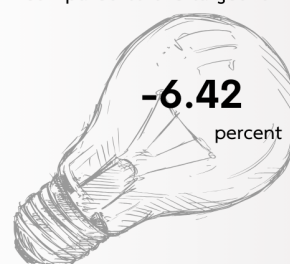


The project to replace all light bulbs in the organization with 800 LED bulbs has resulted in a total reduction of

**4,673.87**

kg CO<sub>2</sub> in greenhouse gas emissions

Percentage of total electricity consumption compared to the target for 2023



## Energy management: Fuel consumption

	2022	2023	2024
Diesel (Litres)	531.35	21,794.89	35,879.38
Gasoline (Litres)	568.72	6,861.90	6,681.04

	2022	2023	2024
LPG (Kilograms)	N/A	5.00	49.00

#### Energy management: Electricity consumption

	2022	2023	2024
<b>Total electricity consumption within the organization (Kilowatt-Hours)</b>	457,496.00	437,864.00	389,264.00
Electricity purchased for consumption from non-renewable energy sources (Kilowatt-Hours)	457,496.00	437,864.00	389,264.00
Electricity purchased or generated for consumption from renewable energy sources (Kilowatt-Hours)	0.00	0.00	0.00

### Information on water management

#### Water management plan

The Company's water management plan : Yes

##### Water Conservation Campaign

Demco prioritizes water resource conservation and has implemented continuous water conservation measures through various approaches, including: switching to water-saving devices that meet certified standards, such as the use of Label No.5 water-saving faucets, which have been installed in men's and women's restrooms to enhance water efficiency and reduce unnecessary water loss; constructing a reservoir for treated wastewater and reusing it for watering plants through a drip irrigation system, which helps reduce the amount of tap water used and promotes efficient resource utilization. These measures reflect Demco's commitment to efficient water management and support sustainable and environmentally friendly business practices.

#### Setting goals for water management

Does the company set goals for water management : Yes

##### Details of setting goals for water management

Target(s)	Base year(s)	Target year(s)
Reduction of water withdrawal	2023 : Water withdrawal 4,657.00 Cubic meters	2024 : Reduced by 5% or 4,424.15 Cubic meters

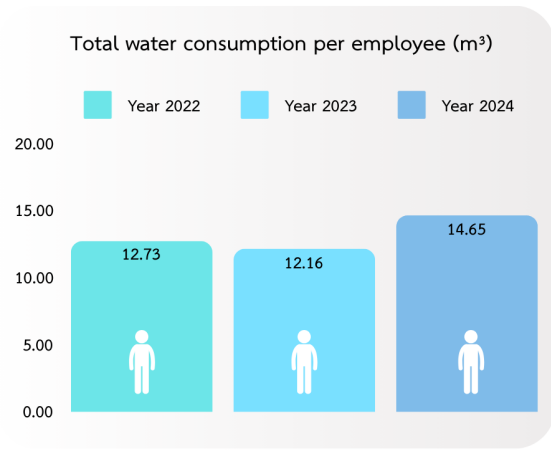
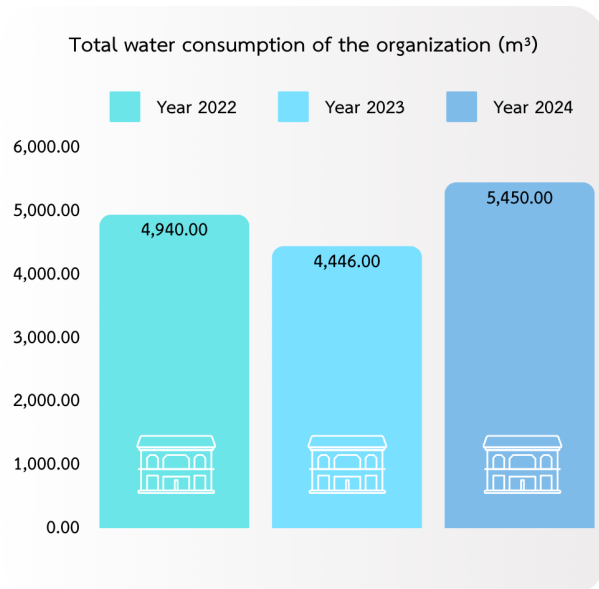
#### Performance and outcomes of water management

Performance and outcomes of water management : Yes

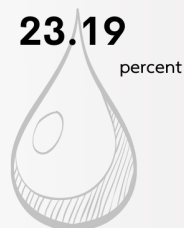
In 2023, Demco aimed to reduce water consumption per employee by 5% compared to 2022. The 2023 operational results showed a total water consumption of 5,423.00 cubic meters, an increase of 16.45% or 998.85 cubic meters compared to the target. To achieve future targets, the company plans to improve measures and increase water conservation efficiency continuously. This reflects the company's commitment to sustainable water resource management and reducing environmental impacts in the long term.

#### Diagram of performance and outcomes in water management





Percentage of total water consumption compared to the target for 2023



Create a publicity banner for the water conservation campaign



#### Water management: Water withdrawal by source

	2022	2023	2024
Total water withdrawal (Cubic meters)	4,940.00	4,657.00	5,450.00
Water withdrawal by third-party water (cubic meters)	88.00	3,530.00	5,450.00
Water withdrawal by groundwater (cubic meters)	4,852.00	1,127.00	0.00

#### Water management: Water consumption

	2022	2023	2024
Total water consumption (Cubic meters)	4,940.00	4,657.00	5,450.00

### Information on waste management

#### Waste management plan

The company's waste management plan : Yes

Demco has implemented the "TING TO TRASH" project to encourage employees to participate in systematic waste sorting and environmental activities. This is supported by technology through scanning QR codes via the "ECOLIFE APP" application, which helps track and promote proper waste management practices. This project has been publicized to all employees to acknowledge and participate continuously to cultivate environmental conservation awareness and support sustainable waste management approaches within the organization.

Setting goals for waste management

Does the company set goals for waste management : Yes

Details of setting goals for waste management

Target(s)	Base year(s)	Target year(s)	Waste management methods
Increase of waste recovery Waste type: Non-hazardous waste	2023 : non-hazardous waste 15,667.70 Kilograms	2024 : Increased by 5% or 653.10 Kilograms	• Other : Amount of recyclable waste and residue

Performance and outcomes of waste management

Performance and outcomes of waste management : Yes

Denko aims to increase the amount of recyclable waste by 5% compared to 2023. In 2024, the company was able to increase the amount of recyclable waste by 730.50 kilograms, or 17.44% of total waste. This reflects the success of the company's environmental goals and reinforces its commitment to being a part of sustainable global care.

Diagram of Performance and outcomes of waste management



Waste management: Waste Generation

	2022	2023	2024
Total waste generated (Kilograms)	0.00	15,677.70	15,115.50
Total non-hazardous waste (kilograms)	N/A	15,677.70	15,115.50

#### Waste management: Waste reuse and recycling

	2022	2023	2024
Total reused/recycled waste (Kilograms)	N/A	622.00	730.50
Reused/Recycled non-hazardous waste (Kilograms)	N/A	622.00	730.50

### Information on greenhouse gas management

#### Greenhouse gas management plan

The company's greenhouse gas management plan : Yes

##### Implement a project to reduce corporate greenhouse gas emissions (CFO).

Demco has implemented a project to install solar cells on the roofs of parking lots and warehouses, including the installation of a solar power generation system at the Pathum Thani office to increase the proportion of renewable energy use and reduce reliance on fossil fuels. The total production capacity is 282.02 kilowatts peak (kWp), which helps to promote environmentally friendly business practices and supports the organization's sustainability goals.

Reference link for company's greenhouse gas management plan : <https://drive.google.com/file/d/1BcVv7kWuMLNsLVbQzmxikHbja5vd3Xf2/view?usp=sharing>

Page number of the reference link : 49-51

#### Compliance with principles and standards for greenhouse gas or climate change management

Principles and standards for greenhouse gas or climate change management : Thailand Greenhouse Gas Management Organization (TGO), ISO 14064 - Greenhouse gases

#### Setting greenhouse gas emission goals

Does the company set greenhouse gas management goals : Yes

Company's existing targets : Setting net-zero greenhouse gas emissions targets, Setting carbon neutrality targets

#### Setting net-zero greenhouse gas emissions targets

##### Details of setting net-zero greenhouse gas emissions targets

Greenhouse gas emission scope	Base year(s)	Short-term target year	Long-term target year	Certification
Scope 1-3	2023 : Greenhouse gas emissions 1,220.00 tCO <sub>2</sub> e	2025 : Reduced by 3% or 1,183.40 tCO <sub>2</sub> e in comparison to the base year	2065 : Reduced by 100% or 0.00 tCO <sub>2</sub> e in comparison to the base year	<ul style="list-style-type: none"> <li>Thailand Greenhouse Gas Management Organization (TGO) : Net zero</li> <li>Science-based Targets (SBTi) : None</li> </ul>

## Setting carbon neutrality targets

### Details of setting carbon neutrality targets

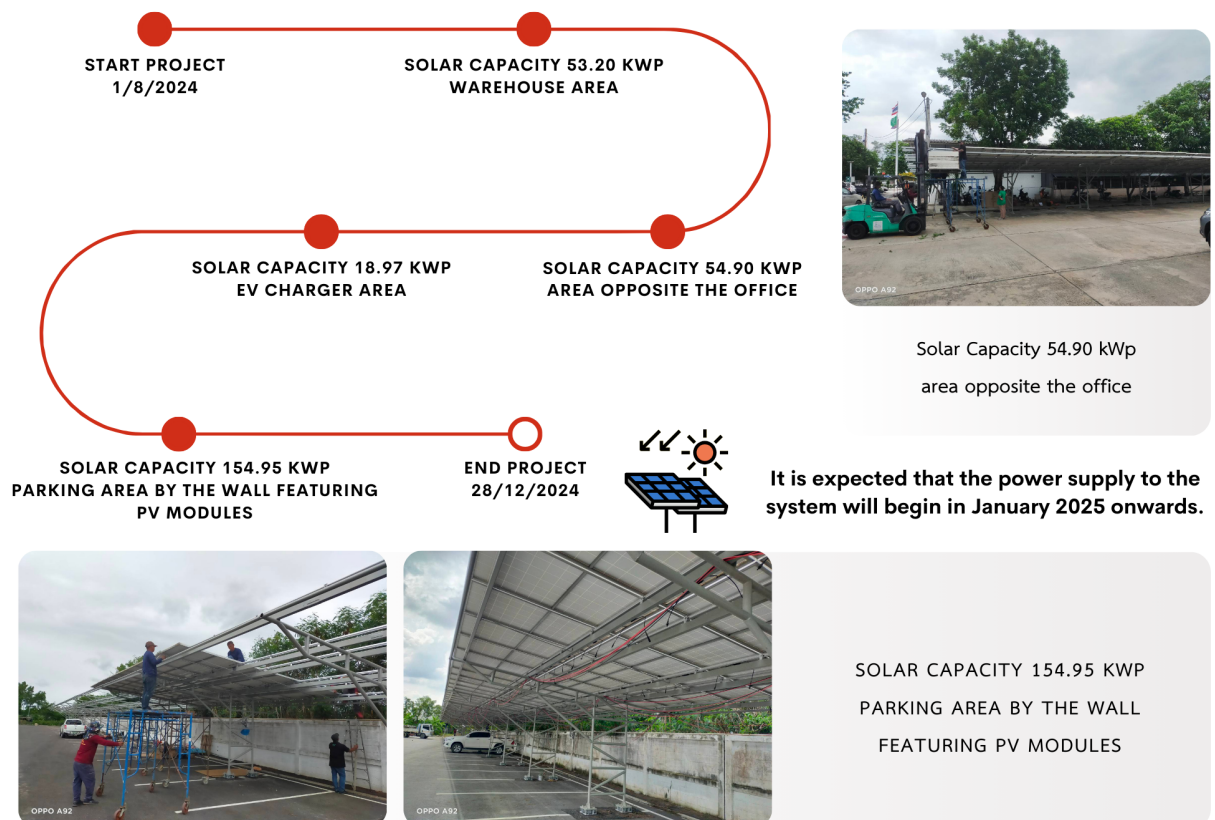
Greenhouse gas emission scope	Base year(s)	Target year(s)	Certification
Scope 1-3	2023 : Greenhouse gas emissions 1,220.00 tCO <sub>2</sub> e	2050 : Reduced by 100%	<ul style="list-style-type: none"> <li>Thailand Greenhouse Gas Management Organization (TGO)</li> </ul>

## Performance and outcomes of greenhouse gas management

Performance and outcomes of greenhouse gas management : Yes

In 2024, the company implemented a project to install solar cells with a total production capacity of 282.02 kilowatts peak (kWp) to increase the use of clean energy and reduce reliance on fossil fuels. The operation was divided into 4 sections: 53.20 kWp installed at the warehouse building, 54.90 kWp installed opposite the office, 18.97 kWp installed at the EV Charger, and 154.95 kWp installed in the parking lot along the wall, equipped with 305 Wp PV modules. This project helps to enhance the use of renewable energy within the organization and aligns with the company's sustainability goals of reducing greenhouse gas emissions and promoting the efficient use of clean energy.

### Diagram of Performance and outcomes of greenhouse gas management



Greenhouse gas management : Corporate greenhouse gas emission

	2022	2023	2024
Total greenhouse gas emissions (Metric tonnes of carbon dioxide equivalent)	0.00	1,220.00	1,340.00
Total greenhouse gas emissions - Scope 1 (Metric tonnes of carbon dioxide equivalent)	N/A	695.00	849.00
Total greenhouse gas emissions - Scope 2 (Metric tonnes of carbon dioxide equivalent)	N/A	219.00	195.00
Total greenhouse gas emissions - Scope 3 (Metric tonnes of carbon dioxide equivalent)	N/A	306.00	296.00

### Greenhouse gas management: Verification of the company's greenhouse gas emissions over the past year

Verification of the company's greenhouse gas emissions : Yes

List of greenhouse gas verifier entity : Bureau verification (Thailand) Co., Ltd.

### Information on incidents related to legal violations or negative environmental impacts

#### Number of cases and incidents of legal violations or negative environmental impacts

	2022	2023	2024
Number of cases or incidents of legal violations or negative environmental impact (cases)	0	0	0

### 3.4 Social sustainability management

Demco recognizes the importance of conducting both internal and external activities, taking into account the impact on the organization, society, and the environment in all dimensions to promote the well-being of the community and sustainable coexistence in society. With a commitment to creating a balance between business operations and social responsibility, Demco has established clear guidelines and practices in demonstrating responsibility towards the community, society, and the environment, with the goal of promoting sustainable development. Along with creating mutual benefits between the organization and society in the long term, operating with social responsibility is at the heart of corporate governance. To be consistent with Demco's intentions and to be an important foundation leading to sustainable success in the future.

- 1) Committed to conducting business in accordance with laws, standards, regulations, and based on responsibility to the community, society, and the environment to build and maintain a good image and reputation, including the credibility of the organization. In order to gain acceptance and trust from the community and society as a whole, which will lead to business success, as well as sustainable development and growth of the business.
- 2) Provide support and assistance to society and communities, both locally and nationally, as appropriate.
- 3) Participate in activities that demonstrate responsibility towards the community, society, and the environment to enhance the quality of life for stakeholders.
- 4) Encourage the management and employees of the Demco Group to have good awareness and responsibility towards society and the environment.
- 5) Cooperate with regulators in implementing standards and reporting information regarding violations or non-compliance with laws or regulations to help prevent or mitigate social and environmental impacts.
- 6) Assess the risks and impacts on issues related to the environment, society, health, and safety before starting work, investing, or jointly venturing in any business in order to plan or prepare appropriate prevention.

#### **Social and Community Strategies**

- 1) Invest in developing the potential and capabilities of employees by supporting training, providing knowledge and necessary resources. Along with creating a safe work environment, encouraging creativity, and working to their full potential and capabilities.
- 2) Respond to the needs and satisfaction of customers, both in terms of the quantity and quality of products and services, in accordance with the contract completely.
- 3) Enhance and promote the participation of the community and relevant stakeholders by being open to listening to opinions, consulting transparently and creatively, treating each other equally, and respecting differences. As well as supporting the development of the quality of life and the strength of the community.
- 4) Collaborate with government agencies, industry associations, business partners, civil society, and other stakeholders to participate in the development and/or application of good sustainability standards and practices in the industry and/or other sectors.

#### 3.4.1 Social policy and guidelines

Demco is committed to social policies and practices that strive to create a balance between business operations and sustainable social development. The company places importance on promoting equality, supporting communities, and developing the quality of life of stakeholders through transparent, fair practices in accordance with international standards to build trust and long-term cooperation with the community and society.

Social and human rights policy and guidelines : Yes

Social and human rights guidelines : Employee rights, Child labor, Community and environmental rights, Non-discrimination, Supplier rights, Others : Civil and Political Rights

#### **Policy and Practice on Compliance with Laws and Human Rights**

Demco prioritizes activities that may affect human rights in all aspects by adhering to and complying with relevant laws. Demco has a clear policy of not employing child labor upholding freedom of religion, non-discrimination based on race, religion, gender, and social status. In addition, Demco respects the human rights of employees at all levels. Strictly protect and do not disclose employees' personal information, such as personal history, salary, etc., to outsiders or unrelated persons. Demco has established and complies with the Personal Data Protection Policy, including the use of work regulations, which are compiled into handbooks and communicated to employees to acknowledge the rules, regulations, and work regulations, including orientation before starting work.

## Compliance with human rights principles and standards

### Adherence to Human Rights Principles and Standards

Demco is committed to human rights principles and standards, conducting business responsibly and respecting the dignity of all individuals. The company focuses on creating a safe and equitable work environment while promoting diversity and treating employees, partners, and communities with fairness and transparency. This aligns with laws, regulations, and international standards to promote sustainability and trust in the organization.

Human rights management principles and standards : The UN Guiding Principles on Business and Human Rights

## Review of social and human rights policies, guidelines, and/or goals over the past year

Review of social and human rights policies, guidelines, and/or : No  
goals over the past year

## Human Rights Due Diligence : HRDD

Demco prioritizes comprehensive human rights due diligence to assess and manage potential risks in its operations. The company is committed to identifying, preventing, and mitigating human rights impacts related to employees, business partners, communities, and stakeholders. Demco also adheres to international standards to support sustainable development and build continued trust in the organization.

Does the company have an HRDD process : Yes

DEMCO has established guidelines for managing human rights issues covering all activities of the Company, its affiliates, and stakeholders in the value chain. These guidelines are based on the Company's human rights policy as well as relevant international standards and principles to ensure that the Company's business operations are ethical, transparent, and socially responsible.

To maximize the effectiveness of its human rights operations, the Company has prepared a Human Rights Due Diligence plan and conducts Human Rights Risk and Impact Assessments regularly every year. The objective is to identify preventive measures and mitigation of impacts that may arise from business operations systematically and to be able to respond to the current situation promptly.

In addition, the Company prepares regular reports on assessment results and performance for transparency and to build confidence among all stakeholders.

## HRDD process diagram



### 3.4.2 Social operating results

Demco is committed to conducting business that creates value for society by supporting projects and activities that promote the well-being of the community and stakeholders. The company places importance on equality, developing employee skills and potential, and fostering good relationships with the community through transparent operations that align with the principles of sustainable development to create a positive impact on society in the long term.

#### Information on employees and labor

##### Human Resources

- **Employee Development:** Demco places importance on continuous employee development. We focus on developing the knowledge and skills necessary for work, including orientation for new employees to promote learning behaviors and attitudes that are consistent with the organizational culture. The human resources department also monitors employee performance through the On-the-Job Training process to assess the readiness and work efficiency of new employees at all levels. We also plan for further potential development by focusing on enhancing Re-Skill and Up-Skill to allow employees to develop their knowledge and skills on their own, as well as improve their knowledge and abilities to align with the nature of the work and the needs of the organization. This development policy reflects Demco's commitment to systematically enhancing employee potential to support the growth of the organization in conjunction with the long-term development of personnel potential.

- **Employee Well-being**

Demco considers employees to be its most valuable resource, driving the organization towards success and sustainable development. Taking care of employees to create engagement with the organization and creating an organization that everyone wants to work with is therefore an important issue. Demco has established a "Welfare Committee in the Workplace" according to the Labor Protection Act of 1998, consisting of 8 employee representatives from elections. They have a term of 2 years from the date of appointment by fellow employees. The method of electing candidates to represent employees is by vote from fellow employees to act as employee representatives, advise, and provide suggestions to employers. This includes consulting with employers to provide appropriate and



comprehensive welfare and working conditions for employees, as well as supervising, inspecting, and controlling to ensure that existing welfare is practical and beneficial to employees at all levels equally. It also serves as a channel to help ensure that employee opinions are heard.

Demco is committed to being a workplace with a good labor management system and social responsibility, maintaining personnel, creating good labor relations at the national level that can be a model for other establishments to use as an example in developing their organizations to be even better, both in terms of developing the quality of life and the morale of employees.

Employees and labor management plan

Demco prioritizes effective employee and workforce management by focusing on promoting a safe and equitable work environment, along with supporting skill development and potential of employees at all levels. The company is committed to building strong relationships between the organization and its employees through policies and measures aligned with international standards to enhance quality of life and promote sustainable development.

The company's employee and labor management plan : Yes

Employee and labor management plan implemented by the : Employee training and development, Promoting employee relations  
Company in the past year and participation, Safety and occupational health at work

Employee Potential Development

DEMCO prioritizes the development of employee potential at all levels through training courses and activities that promote learning and organizational commitment. The focus is on development in the following areas:

- 1. Attitude and Work Ethics Training Course
  - Enhance communication and teamwork skills to increase the effectiveness of collaboration.
- 2. Specialized Skills Training Course
  - Develop professional skills related to specific jobs to enhance work performance.
- 3. Leadership and Management Training Course
  - Foster the potential of employees who have the potential to become leaders through management and leadership development programs.
- 4. Activities to Promote Organizational Commitment (DEMCO Union Day 2024)
  - Study Tours: Take employees to visit company projects such as the Wind Turbine Field and SAMYAN Smart City.
  - Local Culture Preservation Activities: Encourage employees to participate in volunteer activities such as offering candles to temples in the community or participating in the alms-giving ceremony for one hundred monks at Wat Dao Rueang.
- 5. "Voice of Employee" Project
  - Organize employee welfare committee meetings on the 25th of every month to reflect on employee feedback and satisfaction regarding their responsibilities and work environment.
- 6. "Tea Talk with 4C's" Project
  - Provide opportunities for employees born in the same month to have snacks and talk with the four groups of executives (4C's) to create a warm working atmosphere and strengthen relationships between employees and senior management.

Setting employee and labor management goals

Does the company set employee and labor management : Yes  
goals

Details of setting goals for employee and labor management

Target(s)	Indicator(s)	Base year(s)	Target year(s)
• Employee training and development	All employees received training to develop their skills and abilities.	-	2024: 18 hours / person / year

Performance and outcomes for employee and labor management

Performance and outcomes for employee and labor : Yes  
management

In 2024, Demco Public Company Limited conducted a total of 122 training courses for employees according to the Training and Development Plan, with the goal of developing and upskilling, as well as building new skills necessary for the future (Future Skills) to align with industry changes. The training is categorized by knowledge and skills into 3 key areas:

#### **1. Soft Skills**

- Training Course: Achieving Success Through Effective Communication at Work
- Training Course: Techniques for Writing Excellent Official Letters and Meeting Minutes
- Training Course: Sustainable Anti-Corruption Approaches in Organizations
- Training Course: Financial Management in Debt Situations to Prepare for Life After Retirement
- Training Course: Sustainable Anti-Corruption Approaches in Organizations

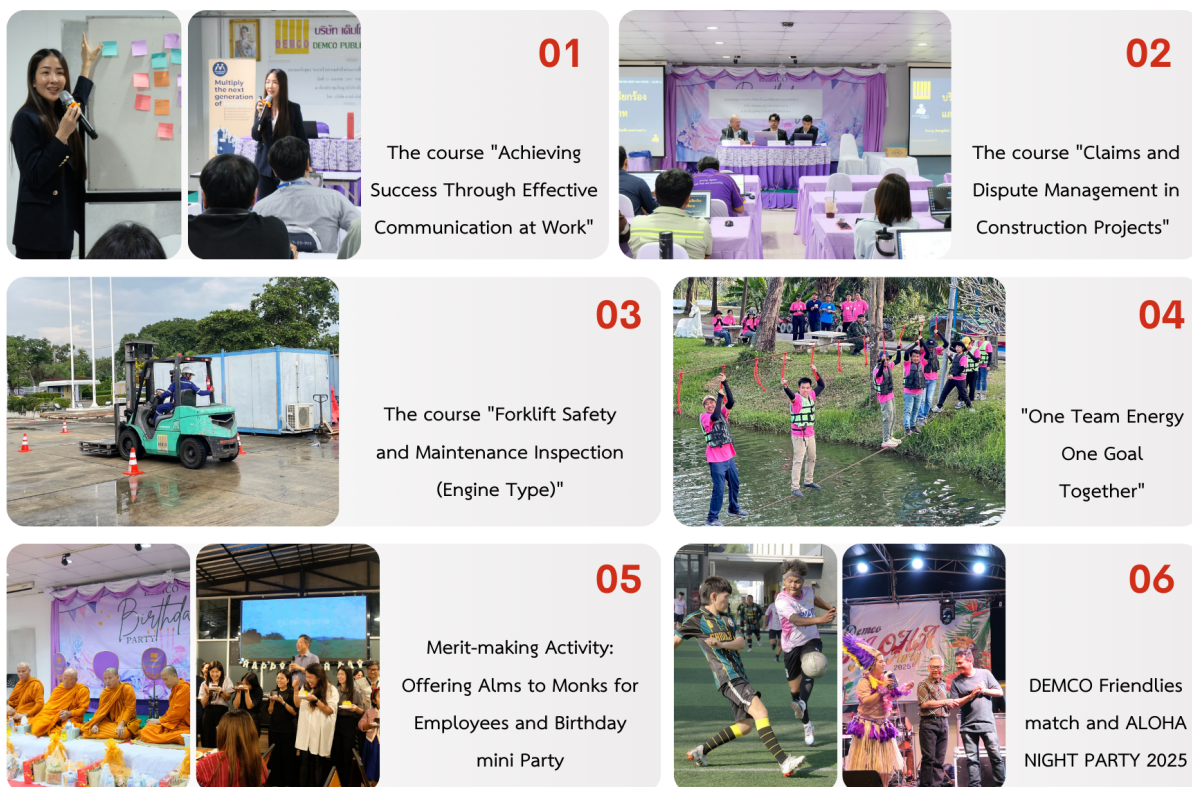
#### **2. Technical Skills**

- Training Course: Feasibility Study for Investment
- Training Course: Occupational Safety Officer (Supervisor Level)
- Training Course: ROADMAP RISK MANAGEMENT TO 2030 ESG STRATEGY-BASED
- Training Course: Claims and Error Management in Construction Projects
- Training Course: Occupational Safety Officer (Management Level)
- Training Course: Safe Forklift Driving and Maintenance

#### **3. Managerial Skills**

- Workshop: "Business Integration Session"
- Training Course: Employee Engagement Refresh Course
- Training Course: Digital Technology in Modern Management

**Diagram of performance and outcomes for employee and labor management**



## Employee and labor management: Employment

Demco has a transparent and systematic recruitment and selection process. We consider the qualifications, abilities, and attitudes of applicants in alignment with the job positions and organizational values, ensuring fairness and equality. We do not discriminate based on gender, disability, age, educational background, religious beliefs, or political opinions. We also provide equal career advancement opportunities without discrimination based on gender, age, educational background, or disability. In 2024, Demco had a total of 373 employees, including one employee with disabilities.

### Hiring employees

	2022	2023	2024
<b>Total employees</b> (persons)	388	383	373
Male employees (persons)	237	237	222
Female employees (persons)	151	146	151

### Employment of workers with disabilities

	2022	2023	2024
<b>Total employment of workers with disabilities</b> (persons)	2	2	1
<b>Total number of employees with disabilities</b> (persons)	2	2	1

	2022	2023	2024
Total male employees with disabilities (persons)	2	2	1
Total female employees with disabilities (persons)	0	0	0
<b>Total number of workers who are not employees with disabilities</b> (persons)	0	0	0
<b>Contributions to empowerment for persons with disabilities fund</b>	Yes	Yes	Yes

## Employee and labor management: Remuneration

### Employee remuneration

	2022	2023	2024
<b>Total employee remuneration</b> (baht)	17,942,883.61	19,545,801.35	18,141,839.26
Total male employee remuneration (Baht)	13,159,332.05	14,539,783.90	13,038,243.98
Total female employee remuneration (Baht)	4,783,551.56	5,006,017.45	5,103,595.28

## Employee and labor management: Employee training and development

Demco promotes employee learning to prepare for organizational growth by creating an annual training and development plan (Training Plan), including knowledge management within the organization (Knowledge Management). It encourages employees to participate in learning, including monitoring, evaluation, and continuous improvement of the knowledge management process within the organization. It also develops formats/tools for organizational knowledge management, such as providing training through online systems like Zoom and/or Microsoft Teams, knowledge sharing (Knowledge Sharing), creating channels for self-learning (Self Learning), and providing employee orientation to allow employees to learn behaviors and attitudes that align with the organizational culture. Subsequently, the human resources department will follow up on the evaluation of on-the-job training (On - the - Job Training) to assess the work readiness and performance of new employees at all levels. There are also plans to enhance the potential of employees, both through Re-Skill & Up-Skill, to provide opportunities for employees to develop their knowledge and work skills independently and develop knowledge and abilities in line with the nature of their work. In 2024, Demco Public Company Limited conducted employee training according to the Training and Development Plan, totaling 122 courses. The objective was to develop and enhance skills (Upskill - Reskill), including building new skills necessary for the future (Future Skill) to align with industry changes. The training was divided into 3 key areas based on the type of knowledge and skills:

1. Soft Skills
2. Technical Skills
3. Managerial Skills

### Employee training and development

	2022	2023	2024
Average employee training hours (hours / person / year)	31.82	33.85	31.30

	2022	2023	2024
Training and development expenses for employees (baht)	1,075,896.64	1,424,879.09	1,620,579.21

## Employee and labor management: Safety, occupational health, and environment at work

### Safety, Occupational Health and Working Environment

DEMCO is committed to conducting safety, occupational health, and working environment activities under the motto "Standards and Safety are at the Heart of the Organization's Operations." It requires all employees and workers to strictly comply with DEMCO's safety, occupational health, and working environment policies under the relevant legal framework (Safety, Occupational Health and Working Environment Management Standards B.E. 2549). It also mandates a Safety Committee with meetings held at least once a month to report and receive suggestions for improvements to comply with occupational safety laws and standards. DEMCO also promotes and supports workplace safety activities, including continuous monitoring of safety performance, and uses the information for future planning.

In 2024, DEMCO continues to prioritize the development of its safety, occupational health, and working environment management system, building upon its participation in the Workplace Development Project according to the Safety Management System Standards in the previous year. The company has been certified for its safety management system by the Safety and Health at Work Promotion Institute (Public Organization) at the Silver Level.

The certification is valid for three years. During this time, the company is committed to operating in accordance with the specified standards and plans to develop and improve the safety management system to reach higher standards in the future. This reinforces the company's commitment to creating a safe and sustainable working environment for employees and stakeholders.

### Safety, occupational health, and environment at work

	2022	2023	2024
Total number of lost time injury incidents by employees (cases)	0	4	4

## Employee and labor management: Employee engagement and internal employee groups

Demco conducts an Employee Engagement Survey twice a year with transparency and reliability, both in terms of independence and confidentiality in expressing employee opinions. This information is used to develop and improve various factors, mainly employee engagement and drivers of engagement or employee satisfaction, such as organizational pride, career opportunities, and quality of work-life. The survey results are summarized and analyzed objectively, with a policy of using employee feedback to improve work processes, organize creative activities, and develop the organization to meet standards and take care of employees comparable to companies in the same industry. This is because Demco Group believes that "employees" are a key mechanism in driving the sustainable growth of the company. The average employee engagement and satisfaction score in 2023 was 4.39 (out of 5), an increase compared to 2023, and the employee turnover rate was 9.65% of all employees.

### Employee engagement

	2022	2023	2024
Total number of employee turnover leaving the company voluntarily (persons)	49	36	36
Total number of male employee turnover leaving the company voluntarily (persons)	17	16	21
Total number of female employee turnover leaving the company voluntarily (persons)	32	20	15

	2022	2023	2024
Proportion of voluntary resignations (%)	12.63	9.40	9.65

	2022	2023	2024
Evaluation result of employee engagement	Yes	Yes	Yes

## Employee internal groups

Demco prioritizes employee participation in the process of care and development of benefits within the organization. We have established a Welfare Committee at each of our workplaces to represent employees at all levels. The committee plays a vital role in reviewing, monitoring, and developing benefits to ensure they are appropriate and aligned with the needs of our employees. We are also committed to promoting equality and participation in creating a positive and sustainable work environment.

Employee internal groups : Yes

Types of employee internal groups : Welfare committee

## Information about customers

### Importance

Demco is committed to complying with the requirements and practices set forth in the "Good Corporate Governance and Business Ethics Policy" in terms of delivering quality products on time or exceeding customer expectations under fair conditions. Demco provides accurate, adequate, and up-to-date information about the company to enable customers to make informed decisions. Another important issue is maintaining customer confidentiality, which Demco adheres to in its confidentiality policy and code of ethics regarding confidentiality, data retention, and internal data usage. This includes concealing customer information and trade secrets, and not using any information for personal gain or improperly benefiting related parties. Moreover, Demco responds to customer needs promptly and provides a system and channels for customers to file complaints about the quality of products and services effectively. This includes surveying customer satisfaction and summarizing the data for analysis to review the quality system and further development.

## Customer management plan

Company's customer management plan : Yes

Customer management plan implemented by the company over the past year : Responsible production and services for customers, Development of customer satisfaction and customer relationship, Consumer data privacy and protection

### Demco's Customer Management Plan

#### 1. Enhance customer engagement.

- The company is committed to building strong customer relationships through quick access and response to customer needs.
- Organize meetings or visits with customers to listen to feedback and understand their needs in depth.

#### 2. Deliver quality products and services.

- Raise production and service standards to provide customers with the best possible experience.
- Emphasize timeliness and reliability in the delivery of products and services.

#### 3. Offer sustainable products and services.

- Develop products and services that promote sustainability, such as using environmentally friendly materials.
- Provide transparent information about the origin of products and the production process.

#### 4. Survey customer satisfaction.

- Conduct customer opinion and satisfaction surveys annually to measure results and improve operations.
- Organize activities or programs to foster relationships and trust between the company and customers.

#### 5. Quick and accurate complaint resolution.

- Establish an efficient complaint management system to respond to customer issues promptly.
- Record and analyze complaints to improve future operations.

#### 6. Customer data care and retention.

- Manage contract information, sales agreements, and important documents comprehensively and securely.
- Comply with laws and regulations regarding personal data protection to maintain customer confidence.

### Setting customer management goals

Does the company set customer management goals : No

### Performance and outcomes of customer management

Performance and outcomes of customer management : Yes

#### Operational Performance and Customer Management Results

In the past year, Demco has implemented projects and activities aimed at building strong customer relationships, promoting knowledge and understanding of electrical engineering, and ensuring the safe use of electrical equipment. These initiatives help build confidence and trust in the company. The details are as follows:

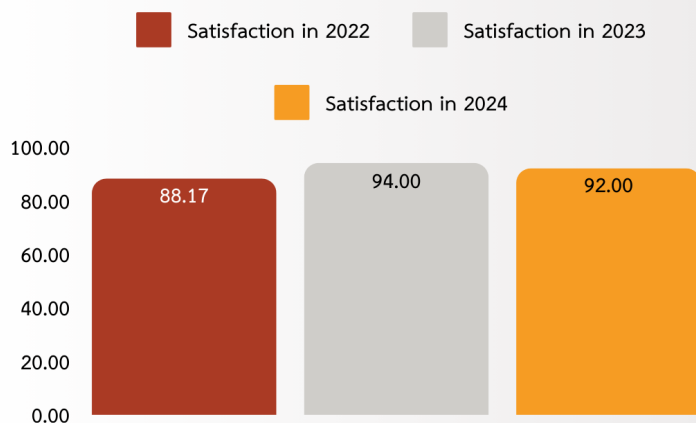
1. Electrical Equipment Donation Project for Education: Demco, in collaboration with B.Grimm Power Public Company Limited, donated a 115kV Voltage Transformer to the Faculty of Engineering, University of the Thai Chamber of Commerce. This equipment will serve as a learning tool to develop knowledge and skills in electrical engineering for students.

2. Customer Training: The company organized customer training sessions at the B.Grimm Terminal Substation and PEA Khlong Khwang 3 projects to provide knowledge about the installation, maintenance, and safe use of electrical equipment.

3. Customer Relationship Activities: A friendly golf tournament was organized to strengthen relationships between the company and customers in a relaxed atmosphere, promoting long-term cooperation.

4. Power Station Site Visits: Customers were taken on site visits to observe the construction and installation of power stations. Guidance on work processes was provided to build confidence and strengthen their decision to invest with the company.

#### Diagram of performance and outcomes of customer management



Customer training at the B.Grimm Terminal  
Sub. project and PEA Khlong Kwang 3



DEMCO Public Company Limited together  
with B.Grimm Power Public Company Limited  
Delivery of 115kV Voltage Transformer  
equipment to the Faculty of Engineering,  
University of the Thai Chamber of Commerce  
for use in education and teaching.



## Customer management: Customer satisfaction

DEMCO places great importance on conducting business with customers. We conduct an annual customer satisfaction survey to enhance customer engagement and relationships consistently. This survey serves as a guideline for addressing customer complaints accurately and promptly. The survey results are presented to the Executive Committee meeting to be used as guidelines for planning, management, development, quality improvement, delivery, and service. It also facilitates information dissemination and response implementation to customer feedback to relevant departments. The customer satisfaction survey is divided into 3 phases:

- Phase 1: After the bidding (within 15 days after the official announcement of the bidding results)
- Phase 2: During the project (when the work progress is at approximately 50%)
- Phase 3: Project Closure (within 15 days after the last bill placement)

In 2024, the overall customer satisfaction rate was 91 percent, clearly exceeding the target of 85 percent. This result reflects the success in effectively managing customer relationships, coupled with the commitment to continuously developing product and service quality. This survey is a testament to DEMCO's dedication and determination to raise service standards to fully meet customer needs, as well as build trust and confidence in the long term.

DEMCO remains committed to its business principles that prioritize customer satisfaction and will continue to develop the quality of its services to create the best experience for all customers.

## Customer satisfaction

	2022	2023	2024
Evaluation results of customer satisfaction	Yes	Yes	Yes



## Information on community and society

### Importance

Demco conducts its business with continuous care and responsibility towards the community through social contribution and community engagement in its areas of operation. Demco operates under the Corporate Sustainability Development Policy and has implemented a Stakeholder Engagement Policy that emphasizes communication, interaction, and appropriate engagement with all internal and external stakeholders, especially those in close proximity to the company's areas of operation.

### Community and social management plan

#### Social and Community Strategy

- Invest in developing employee potential and capabilities by supporting training, providing necessary resources, creating a safe work environment, encouraging creativity, and enabling employees to work to their full potential.
- Fully respond to customer needs and satisfaction in terms of both the quantity and quality of products and services as agreed.
- Enhance and promote the participation of the community and relevant stakeholders by being open to feedback, conducting transparent and creative studies, treating each other equally and respecting differences, as well as supporting the development of quality of life and community strength. Collaborate with government agencies, industry associations, business partners, civil society, and other stakeholders to contribute to the development and/or application of good sustainability standards and practices in the industry and/or other sectors.

Company's community and social management plan : Yes

Community and social management plan implemented by the : Sports and recreation, Others : Conducting a knowledge-sharing  
company over the past year session on clean energy - Solar, Water Pumps/Solar at Wat Dao Rueang School.

#### Community and Social Management Plan Donation

##### 1. Employee volunteering or volunteering activities

Demco has plans to organize various activities that focus on promoting employee participation in social activities, such as donating items or organizing volunteer activities to benefit the community.

##### 2. Provide knowledge about clean energy – Solar water pumps/Solar

Demco plans to provide knowledge about the use of clean energy, especially solar water pump systems, at Wat Dao Rueang School to promote understanding of renewable energy and raise awareness among students and the community.

### Setting community and social management goals

Demco is committed to conducting business that creates value for society and communities. This is achieved through the establishment of success indicators that reflect social responsibility in all dimensions. The company places importance on participating in public activities, supporting community development, and promoting the well-being of stakeholders. These efforts are driven by clear goals and continuous operations to enhance sustainability and trust between the organization and communities.

Does the company set community and social management : Yes  
goals

#### Details of setting community and social management goals

Target(s)	Indicator(s)	Base year(s)	Target year(s)
• Others : Providing public services to the community	Public services to the community (Man Hour / Year)	-	2024: 50 Man Hours
• Others : Community and social engagement	Community/Local Social Engagement	-	2024: 3 Activities / Year
• Others : Health and Well-being Promotion	Employee blood donation	-	2024: 60 liters
• Others : Charitable and Social Contributions	Donation of property and belongings for charitable purposes	-	2024: 4 Activities
• Others : Community Development and Assistance	Are there any projects or activities for community/social development and assistance?	-	2024: 1 Project in

## Performance and outcomes of community and social management

Performance and outcomes of community and social : Yes  
management

Demco recognizes and prioritizes demonstrating social and environmental responsibility. Therefore, in 2017, Demco organized ethics promotion activities for employees to cultivate good consciousness, work ethics, and happiness in daily life and work. The company also emphasizes participation in community, social, and environmental care alongside business operations. Activities beneficial to the community, society, and the environment are summarized below:

1. Participation in social activities in the community/local area
2. Donation of money and goods for charitable purposes
3. Providing public services to the community
4. Projects or activities for community/social development and assistance
5. Employee blood donation

## Diagram of performance and outcomes in community and social management



01

Children's Day Gift-Giving Activity



02

Demco Public Company Limited participated in a football competition organized by the Subdistrict Administrative Organization of Suan Prik Thai, with the goal of raising funds to be donated to Chumchonwat Sedej School.



03

Donation Activity in Collaboration with the 'Leftover - Request' Project: Turning Items into School Tuition for Children at the Ban Nok Khamin Foundation.



04

Organizing a Donation Drive for Supplies and Providing Scholarships to Children at Thammikkwittaya School (School for the Blind).



05

Demco Volunteers Clean and Wash the Restrooms at Wat Bun Bang Sing.



06

DEMCO BLOOD DONOR DAY

## Information on incidents related to legal or social and human rights violations

### Number of cases and incidents of significant legal or social and human rights violations

	2022	2023	2024
Total number of cases or incidents of significant legal or social and human rights violations (cases)	0	0	0
Total number of cases or incidents leading to significant labor disputes (cases)	0	0	0
Total number of incidents or complaints related to business partner's rights violations (cases)	0	0	0
The total number of cases or complaints related to partner rights violations (Cases)	0	0	0
Total number of cases or incidents leading to disputes with the community/society (cases)	0	0	0
Total number of cases or incidents related to cybersecurity or customer data breaches (cases)	0	0	0
Total number of cases or incidents related to workplace safety and occupational health (cases)	0	0	0

## 4. Management Discussion and Analysis (MD&A)

### 4.1 Operation, financial condition and material changes

#### Operational overview

##### Operational Overview and Key Changes

Demco PCL. operates a business providing design, procurement, construction, and installation services in electrical engineering, electrical and mechanical systems, telecommunications towers, signaling systems, energy conservation projects, and renewable power plants for both public and private sector clients.

Demco has investments in the following subsidiaries:

- Demco Power Co., Ltd. – Engages in the manufacturing and sale of steel lattice towers for high-voltage transmission lines and telecommunications, as well as the production and distribution of solar rooftop electricity.
- Demco Energy & Utility Co., Ltd. – Operates in the renewable energy and utility sectors.
- Demco De Lao Co., Ltd. – Holds a concession for water production and distribution to the Luang Prabang Water Supply State Enterprise in the Lao PDR.
- Sabayoi Green Co., Ltd. – Provides electrical engineering services, invests in power plant projects, and manages fuel supply operations.

#### Diagram of operational overview

##### Summary of Key Financial Information (Consolidated Financial Statements)

Key Financials	Amount (MB)		
	2567	2566	2565
Total assets	6,695.25	6,419.21	6,961.83
Total Liabilities	3,039.96	2,831.59	2,879.77
Total Equities	3,655.19	3,587.61	4,082.06
Total revenue	3,212.20	2,300.70	2,137.45
Gross profit (loss)	222.90	164.90	97.69
Profit (loss) attributable to Owners of parent	(62.66)	(549.93)	(127.85)
Basic earnings (loss) per share	(0.08)	(0.75)	(0.18)

## Summary of Key Financial Information (Separated Financial Statements)

Key Financials	Amount (MB)		
	2567	2566	2565
Total assets	6,175.25	5,976.97	6,731.96
Total Liabilities	2,768.44	2,701.40	2,851.92
Total Equities	3,406.81	3,275.57	3,880.03
Total revenue	2,575.99	2,216.06	2,040.94
Gross profit (loss)	219.06	173.24	105.76
Profit (loss) attributable to Owners of parent	1.86	40.87	(75.07)
Basic earnings (loss) per share	0.00	(0.90)	(0.10)

## Analysis on the operation and financial condition

### Operational Overview and Key Changes

Demco PCL. operates a business providing design, procurement, construction, and installation services in electrical engineering, electrical and mechanical systems, telecommunications towers, signaling systems, energy conservation projects, and renewable power plants for both public and private sector clients.

Demco has investments in the following subsidiaries:

**Demco Power Co., Ltd.** – Engages in the manufacturing and sale of steel lattice towers for high-voltage transmission lines and telecommunications, as well as the production and distribution of solar rooftop electricity.

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**Demco De Lao Co., Ltd.** – Holds a concession for water production and distribution to the Luang Prabang Water Supply State Enterprise in the Lao PDR.

**Sabayoi Green Co., Ltd.** – Provides electrical engineering services, invests in power plant projects, and manages fuel supply operations.

### Summary of Operations and Key Factors Driving Changes

In 2024, Demco generated service revenue of 2,080.60 million baht, an increase of 266.22 million baht or 14.67% compared to 2023, when service revenue stood at 1,814.38 million baht. While revenue from civil construction, renewable energy projects, and other contracting services declined, revenue growth was driven by increased projects in distribution systems, underground electrical systems, and substation construction.

The revenue increase in 2024 was supported by the government's infrastructure investment policy, which focused on expanding and developing transmission lines and substations. Additionally, rising electricity demand from the industrial sector and renewable energy contributed to the continuous emergence of new construction projects.

From an operational perspective, the company effectively managed projects, enabling faster revenue recognition in line with project progress. The increase in backlog value, driven by winning key project bids in the past year, was also a crucial factor supporting revenue growth. Furthermore, the company expanded its services into renewable energy projects, presenting additional revenue-generating [opportunities](#).

[In](#) 2024, the company's subsidiary reassessed the valuation of concession rights, resulting in an increase in total revenue due to a reversal of asset impairment losses on concession rights amounting to 131.9 million baht. However, the company also recognized credit losses of 162.5 million baht, in accordance with Thai Financial Reporting Standard No. 9, which contributed to a decrease in net [profit](#).

As of December 31, 2024, Demco's total backlog from both public and private sector construction projects amounted to approximately 3,841 million baht.

## Operating results and profitability

### Revenue

Q4/2024, the company reported total revenue of THB 1,105.4 million, an increase of THB 296.5 million or 36.7% compared to Q4/2023 and an increase of THB 263.0 million or 31.2% compared to Q3/2024. The growth was driven by increased revenue from product sales, construction services, and the reversal of asset impairment related to a subsidiary's concession agreement, amounting to THB 131.9 million.

For the year 2024, total revenue reached THB 3,212.2 million, an increase of THB 911.5 million or 39.6% compared to 2023. This growth was primarily due to higher project execution leading to increased revenue recognition, along with dividend income from investments in renewable energy businesses.

### **Revenue from sales of goods and services**

Q4/2024 revenue from product sales increased, mainly due to higher water supply sales from investment expansion and additional revenue from a subsidiary's steel pole sales.

Moreover, increased investment in solar assets contributed to revenue growth, totaling THB 236.4 million, an increase of THB 110.1 million or 87.2% compared to Q4/2023 and an increase of THB 34.7 million or 17.2% compared to Q3/2024.

For the year 2024, revenue from product sales reached THB 851.4 million, an increase of THB 496.1 million or 139.6% compared to 2023, driven by increased revenue from steel pole production, electricity sales, and biomass fuel products supply.

### **Revenue from construction services**

Q4/2024, mainly attributed to projects involving power distribution systems, substation construction, underground power systems, and transmission line projects. As a result, revenue from construction services in Q4/2024 was THB 707.4 million, up by THB 57.6 million or 8.9% from Q4/2023 and THB 110.6 million or 18.5% from Q3/2024.

For the year 2024, revenue from construction services reached THB 2,124.2 million, an increase of THB 323.9 million or 18.0% compared to 2023, primarily due to increased substation construction, power distribution, and transmission line projects.

### Other Income

Q4/2024, primarily due to dividend income from renewable energy investments and the reversal of asset impairment losses related to a subsidiary's concession agreement of THB 131.9 million. As a result, other income in Q4/2024 was THB 161.6 million, up THB 128.8 million or 392.7% compared to Q4/2023 and THB 117.8 million or 268.9% compared to Q3/2024.

For the year 2024, other income reached THB 236.5 million, an increase of THB 91.4 million, primarily due to the reversal of impairment losses 131.9 million on a subsidiary's concession assets. However, dividend income from renewable energy investments decreased by approximately THB 25.26 million compared to the previous year.

### Cost and expenses of selling and administrative

Q4/2024, total costs and selling & administrative expenses were THB 1,181.4 million, a decrease of THB 150.1 million or 11.3% compared to Q4/2023 but an increase of THB 417.4 million or 54.6% compared to Q3/2024. The increase was due to higher costs in line with revenue growth and the recognition of credit losses on receivables and contract assets of THB 162.5 million. Including the recognition of an impairment loss on the concession assets of a subsidiary in the previous year, totaling THB 571.1 million.

For the year 2024, total expenses were THB 3,225.3 million, an increase of THB 362.8 million or 12.7% compared to 2023, primarily due to higher costs associated with revenue growth and increased administrative expenses related to strategic initiatives and workforce expansion. Additionally, the company recognized a credit loss on trade receivables and contract assets amounting to THB 162.5 million in Q4/2024.

### **Cost of sales goods and services**

Q4/2024, costs increased in line with higher revenue, despite lower raw material costs for steel pole production and reduced

depreciation expenses in the water supply business due to changes in estimated concession asset lifespans. Total costs in Q4/2024 amounted to THB 257.9 million, up by THB 142.4 million or 123.3% compared to Q4/2023 and THB 68.9 million or 36.5% compared to Q3/2024, primarily due to increased revenue.

*For the year 2024*, costs were THB 832.0 million, an increase of THB 477.3 million or 134.6% compared to 2023, driven by revenue growth despite declining steel costs and lower depreciation expenses in the water supply business.

#### **Cost of construction services**

Q4/2024, the recognition of K expenses and revenue from the sale of on-site scrap helped offset the increased costs in line with revenue growth. As a result, Q4/2024 recorded a total cost of THB 676.6 million, an increase of THB 115.7 million or 20.6% compared to Q4/2023, and an increase of THB 176.3 million or 35.2% compared to Q3/2024. This was due to higher revenue and a reassessment of project cost estimates, leading to additional cost recognition.

*For the year 2024*, total costs amounted to THB 1,920.7 million, an increase of THB 284.7 million or 17.4% compared to the previous year. This was primarily due to higher revenue proportions and project cost estimate revisions.

#### **Selling and Administrative**

Q4/2024, total expenses amounted to THB 1,103.2 million, a decrease of THB 870.3 million or 44.1% compared to Q4/2023. This decline was primarily due to the previous year's recognition of a THB 571.1 million impairment loss on concession assets of a subsidiary and investments in joint ventures. However, expenses increased by THB 264.5 million or 31.5% compared to Q3/2024, mainly due to adjustments related to expired warranty provisions and the recognition of a THB 162.5 million credit loss in accordance with Financial Reporting Standard No. 9.

*For the year 2024*, total expenses amounted to THB 3,372.9 million, a decrease of THB 348.3 million or 9.4% compared to the previous year.

#### **Gross Profit**

Q4/2024, gross profit amounted to THB 9.3 million, with a gross profit margin of 1.0%. This represents a decrease of THB 90.4 million or 11.9 percentage points compared to Q4/2023. Compared to Q3/2024, gross profit declined by THB 99.9 million, with the gross profit margin decreasing by 12.7 percentage points.

*For the year 2024*, gross profit stood at THB 222.9 million, with a gross profit margin of 7.5%, an increase of THB 58 million or 35.2% compared to the previous year. However, the gross profit margin declined by 0.2 percentage points year-over-year.

#### **Gross profit from sales of goods and services**

Q4/2024, a gross loss of THB 21.5 million was recorded, with a gross loss margin of 9.1%. This represents an increased loss of THB 32.3 million or 299.1%, with the gross margin declining by 17.6 percentage points compared to Q4/2023. Compared to Q3/2024, the gross loss increased by THB 34.2 million or 269.3%, with the gross margin declining by 15.4 percentage points. The decline was primarily due to the provision for penalties related to delayed project deliveries, estimated at approximately THB 8.0 million.

*For the year 2024*, there was a gross profit of 40.9 million baht and a gross profit margin of 6.6 percent, an increase of 51.1 million baht or 501.0 percent, and a gross profit margin of 11.1 percent compared to the year 2023 due to lower steel costs and lower amortization costs in the water supply business.

#### **Gross profit from construction services**

Q4/2024, gross profit amounted to THB 30.8 million, with a gross profit margin of 4.4%. This represents a decrease of THB 58.1 million or 65.4%, with the margin declining by 9.3 percentage points compared to Q4/2023. The decline was primarily due to the reassessment of project cost estimates to recognize actual losses incurred and align costs with project progress. Compared to Q3/2024, gross profit decreased by THB 65.7 million or 68.1%, with the margin declining by 11.8 percentage points.

*For the year 2024*, gross profit totaled THB 203.5 million, with a gross profit margin of 9.6%, an increase of THB 39.2 million or 23.9% compared to the previous year. The gross profit margin also improved by 0.5 percentage points year-over-year, mainly due to enhanced operational efficiency.

## Financial Costs

Q4/2024, finance costs amounted to THB 20.3 million, an increase of THB 4.5 million or 28.5% compared to Q4/2023, and an increase of THB 1.3 million or 6.8% compared to Q3/2024. This was primarily due to a higher volume of completed but unbilled projects, leading to an increased need for short-term borrowings to support business operations.

For the year 2024, finance costs totaled THB 69.1 million, an increase of THB 5.0 million or 7.8% compared to the previous year. Although long-term loan repayments helped reduce interest rates, the company significantly increased short-term borrowings to support working capital needs.

## Net Profit and Loss

Q4/2024, net loss was THB 83.2 million. This represents an increase in net profit by THB 457.1 million or 84.6% compared to Q4/2023. However, net profit decreased by THB 145.7 million or 233.1% compared to Q3/2024 due to higher expense recognition during the quarter.

For the year 2024, the company reported a net loss of THB 62.7 million, an improvement in net profit by THB 487.2 million or 88.6% compared to 2023. This was primarily due to the recognition of a loss from the valuation of a subsidiary's concession assets in the previous year, which resulted in a loss of approximately THB 571.1 million in 2023.

## Diagram of operating results and profitability

Unit: Baht Million	Q4 24	Q4 23	Q3 24	Change	%YoY	Change	%QoQ	M12 24	M12 23	Change	%YoY
Revenues from sales and service	236.4	126.3	201.7	110.1	87.2%	34.7	17.2%	851.4	355.3	496.1	139.6%
Revenues from construction service	707.4	649.8	596.8	57.6	8.9%	110.6	18.5%	2,124.2	1,800.3	323.9	18.0%
Other income	29.7	32.8	43.8	(3.1)	-9.5%	(14.1)	-32.2%	104.6	145.1	(40.5)	-27.9%
Reversal of Impairment Loss	131.9	-	-	131.9	na	131.9	na	131.9	-	131.9	na
<b>Total revenues</b>	<b>1,105.4</b>	<b>808.9</b>	<b>842.4</b>	<b>296.5</b>	<b>36.7%</b>	<b>263.0</b>	<b>31.2%</b>	<b>3,212.2</b>	<b>2,300.7</b>	<b>911.5</b>	<b>39.6%</b>
Cost of sales and service	257.9	115.5	189.0	142.4	123.3%	68.9	36.5%	832.0	354.7	477.3	134.6%
Cost of construction service	676.6	560.9	500.3	115.7	20.6%	176.3	35.2%	1,920.7	1,636.0	284.7	17.4%
<b>Gross profit (loss) from sales and service</b>	<b>(21.5)</b>	<b>10.8</b>	<b>12.7</b>	<b>(32.3)</b>	<b>-299.1%</b>	<b>(34.2)</b>	<b>-269.3%</b>	<b>19.4</b>	<b>0.6</b>	<b>18.8</b>	<b>3133.3%</b>
<b>Gross profit (loss) margin from sales and service</b>	<b>-9.1%</b>	<b>8.6%</b>	<b>6.3%</b>	<b>-17.6%</b>	<b>-206.4%</b>	<b>-15.4%</b>	<b>-244.4%</b>	<b>2.3%</b>	<b>0.2%</b>	<b>2.1%</b>	<b>1249.3%</b>
<b>Gross profit (loss) from construction services</b>	<b>30.8</b>	<b>88.9</b>	<b>96.5</b>	<b>(58.1)</b>	<b>-65.4%</b>	<b>(65.7)</b>	<b>-68.1%</b>	<b>203.5</b>	<b>164.3</b>	<b>39.2</b>	<b>23.9%</b>
<b>Gross profit (loss) margin from construction services</b>	<b>4.4%</b>	<b>13.7%</b>	<b>16.2%</b>	<b>-9.3%</b>	<b>-68.2%</b>	<b>-11.8%</b>	<b>-73.1%</b>	<b>9.6%</b>	<b>9.1%</b>	<b>0.5%</b>	<b>5.0%</b>
<b>Gross profit (loss)</b>	<b>9.3</b>	<b>99.7</b>	<b>109.2</b>	<b>(90.4)</b>	<b>-90.7%</b>	<b>(99.9)</b>	<b>-91.5%</b>	<b>222.9</b>	<b>164.9</b>	<b>58.0</b>	<b>35.2%</b>
<b>Gross profit (loss) margin</b>	<b>1.0%</b>	<b>12.8%</b>	<b>13.7%</b>	<b>-11.9%</b>	<b>-92.3%</b>	<b>-12.7%</b>	<b>-92.8%</b>	<b>7.5%</b>	<b>7.6%</b>	<b>-0.2%</b>	<b>-2.1%</b>
Selling and Administrative expenses	84.1	77.4	74.7	6.7	8.7%	9.4	12.6%	309.9	865.4	(555.5)	-64.2%
<b>Total expenses</b>	<b>1,018.9</b>	<b>1,325.0</b>	<b>764.0</b>	<b>(306.1)</b>	<b>-23.1%</b>	<b>254.9</b>	<b>33.4%</b>	<b>3,062.8</b>	<b>2,856.0</b>	<b>206.9</b>	<b>7.2%</b>
<b>Profit (loss) from operations activities</b>	<b>86.6</b>	<b>(516.1)</b>	<b>78.3</b>	<b>602.7</b>	<b>-116.8%</b>	<b>8.3</b>	<b>10.6%</b>	<b>149.5</b>	<b>(555.3)</b>	<b>704.8</b>	<b>-126.9%</b>
Finance costs	20.3	15.8	19.0	4.5	28.5%	1.3	6.8%	69.1	64.1	5.0	7.8%
Impairment loss determined in accordance with TFRS9	162.5	6.5	-	156.0	2400.0%	162.5	na	162.5	6.5	156.0	2400.0%
Share of profit (loss) of associates and joint ventures	-	-	-	-	0.0%	-	0.0%	-	-	-	0.0%
accounted for using the equity method	23.9	(28.8)	3.0	52.7	-183.0%	20.9	696.7%	26.3	24.5	1.8	7.3%
<b>Profit (loss) before income tax expense</b>	<b>(72.3)</b>	<b>(567.2)</b>	<b>62.4</b>	<b>494.9</b>	<b>-87.3%</b>	<b>(134.7)</b>	<b>-215.9%</b>	<b>(55.8)</b>	<b>(601.4)</b>	<b>545.7</b>	<b>-90.7%</b>
Tax expenses (income)	10.9	(26.9)	(0.1)	37.8	-140.5%	11.0	-11000.0%	6.9	(51.4)	58.2	-113.2%
<b>Profit (loss) for the period</b>	<b>(83.2)</b>	<b>(540.3)</b>	<b>62.5</b>	<b>457.1</b>	<b>-84.6%</b>	<b>(145.7)</b>	<b>-233.1%</b>	<b>(62.7)</b>	<b>(549.9)</b>	<b>487.2</b>	<b>-88.6%</b>

## Asset management capability

Demco and its subsidiaries prepare consolidated financial statements that accurately reflect values aligned with fair value. The company conducts regular asset valuations, and if indications of impairment arise, appropriate provisions are recognized to ensure that the carrying amounts of assets do not materially differ from their fair value. Similarly, for investments showing signs of impairment, the company carefully assesses the necessity of recognizing impairment losses to present a true and fair view. Demco is confident that the recorded impairment provisions are adequate and that the reported asset and investment values reasonably approximate their fair value.

**Total Assets** as of December 31, 2024, Demco's total assets stood at 6,695.3 million baht, an increase of 276.0 million baht (4.30%) from December 31, 2023. This growth was primarily driven by an increase in non-current assets, which rose by 218.3 million baht (4.88%) compared to the previous year. The key contributing factors were the recognition of additional investment value of approximately 72 million baht and the recognition of concession asset value from a subsidiary, which increased by 131.9 million baht. Current assets also increased by 57.7 million baht, mainly due to higher project deliveries and revenue recognition, leading to a rise in contract assets and trade receivables. Non-current assets totaled 4,694.8 million baht, increasing by 31.6



million baht (0.71%), primarily from the revaluation of investments in renewable energy businesses, offset in part by the divestment of joint [ventures](#).

**Total Liabilities** as of December 31, 2024, total liabilities amounted to 3,040.0 million baht, an increase of 208.4 million baht (7.36%) compared to December 31, 2023. This was mainly driven by a rise in current liabilities, which grew by 203.4 million baht (8.32%) to 2,648.0 million baht. The increase was due to additional project awards in 2024, requiring advance procurement of equipment for installation, while payments from customers were still pending based on contract terms. As a result, the company needed additional working capital and increased reliance on short-term borrowings from financial institutions. Non-current liabilities totaled 391.9 million baht, an increase of 5.0 million baht (1.29%), primarily due to adjustments in long-term financial obligations.

**Total Shareholders' Equity** as of December 31, 2024, shareholders' equity stood at 3,655.2 million baht, an increase of 67.6 million baht (1.88%) from December 31, 2023. The increase was attributed to operating performance improvements and gains from the revaluation of renewable energy investments, which contributed 55.4 million baht to other comprehensive income (net of tax). Additionally, common stock and share premium increased by 71.2 million baht due to the exercise of warrants by shareholders.

**Trade and Other Receivables** as of December 31, 2024, trade and other receivables stood at 1,035.1 million baht, increasing by 46.5 million baht (4.71%) from December 31, 2023. This increase was due to higher revenue recognition across various business segments, while payments from customers were still pending. The company has accounted for expected credit losses, recognizing a credit loss provision of 175.8 million baht to mitigate risks from high-risk receivables.

**Current Contract Assets** as of December 31, 2024, contract assets amounted to 390.1 million baht, increasing by 91.4 million baht (30.58%) from the previous year. The rise was due to delayed revenue recognition from previous projects and revised project cost estimates, leading to revenue recognition that aligns more closely with project completion progress. Inventories As of December 31, 2024, inventories stood at 350.9 million baht, decreasing by 120.0 million baht (25.49%) from December 31, 2023. This decline resulted from the utilization of materials procured in the previous year for ongoing projects in 2024.

**Non-Current Financial Assets** as of December 31, 2024, non-current financial assets amounted to 2,367.7 million baht, increasing by 74.0 million baht (3.23%). The growth was mainly due to the fair value revaluation of investments in renewable energy businesses.

**Intangible Assets** as of December 31, 2024, intangible assets totaled 306.5 million baht, rising by 158.8 million baht (107.59%) from December 31, 2023. This sharp increase was driven by subsidiary expansions and a reversal of impairment losses on concession assets amounting to 132.1 million baht in 2024.

### Diagram of asset management capability

Statement of Financial Position			Change	
	2024	2023	Amount (MB)	%
Total assets	6,695.24	6,419.19	276.05	4.30%
Total Liabilities	3,040.06	2,831.57	208.49	7.36%
Total Equities	3,655.18	3,587.62	67.56	1.88%

### Liquidity and capital adequacy

#### Cash Flow in 2024

Operating Activities: Net cash used amounted to THB 230.22 million, primarily due to an increase in trade receivables and unbilled contract assets, as well as financial cost payments.

Investing Activities: Net cash inflow of THB 142.68 million was mainly driven by dividends received from energy business investments.

Financing Activities: Net cash inflow of THB 132.05 million was primarily due to repayments of short-term and long-term borrowings from financial institutions.

### Current Ratio

As of December 31, 2024, the current ratio stood at 0.76 times, decreasing from 0.80 times in the previous year. This decline was due to an increase in borrowings from financial institutions to support working capital while awaiting customer payments.

### Net Debt to Equity Ratio

As of December 31, 2024, the net debt-to-equity ratio was 0.83 times, increasing from 0.79 times in the previous year. This was attributed to a significant rise in total liabilities in 2024, coupled with operating losses incurred during the year.

### Interest Coverage Ratio (Excluding the reversal of impairment loss on concession assets for water sales in Laos)

For 2024, the interest coverage ratio was 0.93 times, down from 1.14 times in the prior year. This decline resulted from higher borrowings, leading to increased financial costs, along with a decrease in profitability compared to the previous year.

### Bank Overdrafts and Short-Term Loans from Financial Institutions

As of December 31, 2024, bank overdrafts and short-term loans amounted to THB 1,251.82 million, increasing by THB 154.79 million or 14.11% from THB 1,097.03 million in the previous year. This increase was primarily due to a rise in trade receivables and unbilled contract assets, leading to additional borrowings from financial institutions to support the company's working capital.

### Shareholders' Equity

As of December 31, 2024, the company had 822,683,573 registered ordinary shares, of which 750,978,655 shares were fully paid at a par value of THB 1 per share. The share premium on ordinary shares amounted to THB 1,967.63 million, while the premium on treasury stock disposal was THB 151.95 million, and the expired stock-based compensation (DEMCO-ESOP#3) amounted to THB 16.36 million.

## Diagram of liquidity and capital adequacy

Cash Flow Statement	For the Year (Million Baht)	
	2567	2566
Net Cash Flow From (Used in) Operating Activities	(230.22)	281.96
Net Cash Flow From (Used in) Investing Activities	142.68	210.96
Net Cash Flow From (Used in) Financing Activities	132.05	(473.18)
Net Increase (Decrease) in Cash	44.51	19.74

## Debt obligations and management of off-balance sheet

Significant Commitments as of December 31, 2024

- Bank Guarantees: Demco and its subsidiaries had outstanding bank guarantees issued in the normal course of business, totaling THB 2,043.53 million, USD 0.18 million, and EUR 0.22 [million](#).
- [Construction](#) Commitments: The company had outstanding commitments related to various construction projects, amounting to THB 428.96 million.

## Issuance of debt securities with an obligation to maintain financial ratios

Is there an issuance of debt securities with an obligation : No  
to maintain financial ratios?

## 4.2 Potential factors or incidents that may materially affect the financial condition or the operating results

### Significant factors or incidents that may materially affect the future financial condition or the operating results

Thailand's Economic Outlook and Business Challenges in 2025

The Thai economy in 2025 continues to face challenges from both domestic and international factors. As a company operating in the energy-related industry, Demco Public Company Limited (DEMCO) encounters both opportunities and challenges. The key challenges that may impact future operations can be categorized as follows:

#### External Factors

- **Geopolitical Conflicts:** Ongoing geopolitical tensions remain a significant risk, potentially affecting energy price stability and construction material costs.
- **Trade Barriers and Tariff Increases:** Rising tariffs and trade protectionist policies among conflicting nations may lead to a decline in global trade volume and short-term investment slowdowns, which could, in turn, impact domestic economic expansion.
- **Environmental Regulations:** Changes in international environmental regulations, such as the Carbon Border Adjustment Mechanism (CBAM) and stricter Environmental, Social, and Governance (ESG) standards, require the company to align its operations in procurement, construction, and project management. This may result in higher operational costs.
- **Delays in Government Energy Policies:** Slow implementation of government energy policies may hinder the planned expansion of energy-related businesses.
- **Rising Labor Costs:** Labor costs are expected to increase in line with government policies.

#### Internal Factors

- **Technological Advancements in Energy:** The rapid evolution of energy technologies and innovations necessitates continuous employee skill development and investment in new technologies to maintain competitive advantage.

Despite these challenges, DEMCO remains committed to adapting its business strategies in alignment with the economic and industry trends of 2025. The company prioritizes technological and innovation development, as well as efficient human resource management.

Furthermore, DEMCO focuses on risk management by diversifying business partnerships to strengthen its competitive advantage, expand market opportunities, and reduce project costs. These strategies will enable DEMCO to ensure sustainable business growth and create long-term value for all stakeholders.

## 4.3 Information from financial statements and significant financial ratios

### Information from financial statements

#### Summary of financial position statements

	THB		
	31 December 2022	31 December 2023	31 December 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
<b>Assets</b>			
Cash And Cash Equivalents (ThousandTHB)	82,448.00	102,185.00	146,693.00
Trade And Other Receivables - Current - Net (ThousandTHB)	795,706.00	988,569.00	1,035,092.00
Short-Term Loan And Interest Receivables (ThousandTHB)	6,220.00	10,918.00	3,327.00
Inventories - Net (ThousandTHB)	279,165.00	470,886.00	350,879.00
Contract Assets - Current (ThousandTHB)	652,996.00	298,736.00	390,089.00
Other Current Assets (ThousandTHB)	62,349.00	71,423.00	74,361.00
Other Current Assets - Others (ThousandTHB)	62,349.00	71,423.00	74,361.00
<b>Total Current Assets</b> (ThousandTHB)	<b>1,878,884.00</b>	<b>1,942,717.00</b>	<b>2,000,441.00</b>
Restricted Deposits - Non- Current (ThousandTHB)	27,692.00	21,896.00	14,867.00
Trade And Other Receivables - Non-Current - Net (ThousandTHB)	36,844.00	20,483.00	27,960.00
Long-Term Investments - Net (ThousandTHB)	2,224,996.00	2,293,751.00	2,367,725.00
Investment In Subsidiaries, Associates And Joint Ventures Using The Equity Method - Net (ThousandTHB)	1,615,794.00	1,529,764.00	1,512,277.00
Investment In Associates (ThousandTHB)	1,502,666.00	1,453,602.00	1,439,577.00
Investment In Joint Ventures (ThousandTHB)	113,128.00	76,162.00	72,700.00

	THB		
	31 December 2022	31 December 2023	31 December 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Investment Properties - Net (ThousandTHB)	7,840.00	7,840.00	7,840.00
Property, Plant And Equipment - Net (ThousandTHB)	342,935.00	324,060.00	337,111.00
Right-Of-Use Assets - Net (ThousandTHB)	23,966.00	72,536.00	64,580.00
Intangible Assets - Net (ThousandTHB)	734,234.00	147,638.00	306,489.00
Intangible Assets - Others (ThousandTHB)	734,234.00	147,638.00	306,489.00
Deferred Tax Assets (ThousandTHB)	6,760.00	8,216.00	10,252.00
Other Non-Current Assets (ThousandTHB)	61,885.00	50,292.00	45,702.00
Other Non-Current Assets - Others (ThousandTHB)	61,885.00	50,292.00	45,702.00
<b>Total Non-Current Assets</b> (ThousandTHB)	5,082,946.00	4,476,476.00	4,694,803.00
<b>Total Assets</b> (ThousandTHB)	6,961,830.00	6,419,193.00	6,695,244.00

	THB		
	31 December 2022	31 December 2023	31 December 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
<b>Liabilities</b>			
Bank Overdrafts And Short-Term Borrowings From Financial Institutions (ThousandTHB)	1,574,824.00	1,097,028.00	1,251,820.00
Trade And Other Payables - Current (ThousandTHB)	709,858.00	828,605.00	918,486.00
Current Portion Of Long-Term Debts (ThousandTHB)	25,883.00	9,100.00	10,551.00
Current Portion Of Long-Term Debts - Others (ThousandTHB)	25,883.00	9,100.00	10,551.00
Contract Liabilities And Unearned Rental Income - Current (ThousandTHB)	158,392.00	419,418.00	369,851.00
Contract Liabilities And Unearned Rental Income - Others (ThousandTHB)	158,392.00	419,418.00	369,851.00
Current Portion Of Lease Liabilities (ThousandTHB)	5,329.00	12,085.00	12,680.00
Provisions For Employee Benefit Obligations - Current (ThousandTHB)	N/A	6,341.00	8,850.00
Short-Term Provisions (ThousandTHB)	21,241.00	26,293.00	25,928.00
Other Current Liabilities (ThousandTHB)	32,666.00	45,765.00	49,866.00
<b>Total Current Liabilities</b> (ThousandTHB)	2,528,193.00	2,444,635.00	2,648,032.00
Non-Current Portion Of Long-Term Debts (ThousandTHB)	54,817.00	83,383.00	72,832.00
Non-Current Portion Of Long-Term Debts - Others (ThousandTHB)	54,817.00	83,383.00	72,832.00
Non-Current Portion Of Lease Liabilities (ThousandTHB)	4,547.00	49,240.00	39,644.00

	THB		
	31 December 2022	31 December 2023	31 December 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Provisions For Employee Benefit Obligations - Non-Current (ThousandTHB)	82,289.00	81,138.00	82,586.00
Deferred Tax Liabilities (ThousandTHB)	209,582.00	173,089.00	196,703.00
Other Non-Current Liabilities (ThousandTHB)	340.00	88.00	264.00
<b>Total Non-Current Liabilities</b> (ThousandTHB)	351,575.00	386,938.00	392,029.00
<b>Total Liabilities</b> (ThousandTHB)	2,879,768.00	2,831,573.00	3,040,061.00

	THB		
	31 December 2022	31 December 2023	31 December 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
<b>Shareholders' equity</b>			
Authorised Share Capital (ThousandTHB)	822,684.00	876,413.00	876,413.00
Authorised Ordinary Shares (ThousandTHB)	822,684.00	876,413.00	876,413.00
Issued And Paid-Up Share Capital (ThousandTHB)	730,344.00	730,344.00	750,979.00
Paid-Up Ordinary Shares (ThousandTHB)	730,344.00	730,344.00	750,979.00
Premium (Discount) On Share Capital (ThousandTHB)	1,916,040.00	1,916,040.00	1,967,626.00
Premium (Discount) On Ordinary Shares (ThousandTHB)	1,916,040.00	1,916,040.00	1,967,626.00
Retained Earnings (Deficits) (ThousandTHB)	373,981.00	-175,948.00	-237,034.00
Retained Earnings - Appropriated (ThousandTHB)	82,268.00	82,268.00	82,268.00
Legal And Statutory Reserves (ThousandTHB)	82,268.00	82,268.00	82,268.00
Retained Earnings (Deficits) - Unappropriated (ThousandTHB)	291,713.00	-258,216.00	-319,302.00
Other Components Of Equity (ThousandTHB)	1,061,171.00	1,116,660.00	1,173,088.00
Surplus (Deficits) (ThousandTHB)	147,947.00	147,947.00	147,947.00
Surplus (Deficits) From Treasury Shares (ThousandTHB)	151,947.00	151,947.00	151,947.00
Surplus (Deficits) From Changes In Interest In Subsidiaries (ThousandTHB)	-4,000.00	-4,000.00	-4,000.00
Share-Based Payment Transactions (ThousandTHB)	16,361.00	16,361.00	16,361.00



	THB		
	31 December 2022	31 December 2023	31 December 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Other Components Of Equity - Others (ThousandTHB)	896,863.00	952,352.00	1,008,780.00
<b>Equity Attributable To Owners Of The Parent</b> (ThousandTHB)	4,081,536.00	3,587,096.00	3,654,659.00
Non-Controlling Interests (ThousandTHB)	526.00	524.00	524.00
<b>Total Equity</b> (ThousandTHB)	4,082,062.00	3,587,620.00	3,655,183.00
<b>Total Liabilities And Equity</b> (ThousandTHB)	6,961,830.00	6,419,193.00	6,695,244.00

## Summary of income statement

	THB		
	31 December 2022	31 December 2023	31 December 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
<b>Statement of Comprehensive Income</b>			
Revenue From Operations (ThousandTHB)	2,100,103.00	2,155,590.00	3,118,848.00
Revenue From Sales (ThousandTHB)	239,129.00	355,263.00	851,404.00
Revenue From Rendering Services (ThousandTHB)	1,860,974.00	1,800,327.00	2,124,190.00
Revenue From Operations - Others (ThousandTHB)	34,526.00	28,449.00	143,254.00
Interest And Dividend Income (ThousandTHB)	2,822.00	116,686.00	93,379.00
Interest Income (ThousandTHB)	2,822.00	3,002.00	4,958.00
Dividend Income (ThousandTHB)	0.00	113,684.00	88,421.00
<b>Total Revenue</b> (ThousandTHB)	2,137,451.00	2,300,725.00	3,212,227.00
Costs (ThousandTHB)	2,002,418.00	1,990,763.00	2,752,729.00
Cost Of Sales (ThousandTHB)	240,803.00	354,719.00	832,047.00
Cost Of Rendering Services (ThousandTHB)	1,761,615.00	1,636,044.00	1,920,682.00
Selling And Administrative Expenses (ThousandTHB)	312,504.00	286,735.00	293,815.00
Selling Expenses (ThousandTHB)	6,719.00	6,515.00	3,185.00
Administrative Expenses (ThousandTHB)	305,785.00	280,220.00	290,630.00
Other Expenses (ThousandTHB)	10,583.00	578,508.00	16,225.00
<b>Total Cost And Expenses</b> (ThousandTHB)	2,325,505.00	2,856,006.00	3,062,769.00
Share Of Profit (Loss) From Investments Accounted For Using The Equity Method (ThousandTHB)	133,595.00	24,465.00	26,320.00

	THB		
	31 December 2022	31 December 2023	31 December 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Other Gains (Losses) (ThousandTHB)	N/A	-6,498.00	-162,526.00
Gains (Losses) From Financial Instruments Measured At Fair Value Through Profit Or Loss (ThousandTHB)	N/A	-6,498.00	-162,526.00
<b>Profit (Loss) Before Finance Costs And Income Tax Expense</b> (ThousandTHB)	-54,459.00	-537,314.00	13,252.00
Finance Costs (ThousandTHB)	55,165.00	64,059.00	69,064.00
Income Tax Expense (ThousandTHB)	18,221.00	-51,442.00	6,846.00
<b>Profit (Loss) For The Period From Continuing Operations</b> (ThousandTHB)	-127,845.00	-549,931.00	-62,658.00
<b>Net Profit (Loss) For The Period</b> (ThousandTHB)	-127,845.00	-549,931.00	-62,658.00
Net Profit (Loss) For The Period / Profit (Loss) For The Period From Continuing Operations (ThousandTHB)	-127,845.00	-549,931.00	-62,658.00
Gains (Losses) On Remeasuring Investment In Equity Instruments Measured At Fair Value Through Other Comprehensive Income (ThousandTHB)	-173,082.00	68,349.00	72,404.00
Share Of Other Comprehensive Income (Expense) From Subsidiaries, Associates And Joint Ventures Accounted For Using The Equity Method That Will Not Be Subsequently Reclassified To Profit Or Loss (ThousandTHB)	4,924.00	1,011.00	-1,867.00
Remeasurement Of Employee Benefit Obligations (ThousandTHB)	26,342.00	0.00	1,965.00

	THB		
	31 December 2022	31 December 2023	31 December 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Income Taxes Relating To Items That Will Not Be Subsequently Reclassified To Profit Or Loss (ThousandTHB)	28,363.00	-13,872.20	-14,502.00
<b>Other Comprehensive Income (Expense) - Net Of Tax</b> (ThousandTHB)	-113,453.00	55,487.80	58,000.00
<b>Total Comprehensive Income (Expense) For The Period</b> (ThousandTHB)	-241,298.00	-494,443.20	-4,658.00
Net Profit (Loss) Attributable To : Owners Of The Parent (ThousandTHB)	-127,839.00	-549,929.00	-62,658.00
Total Comprehensive Income (Expense) Attributable To : Owners Of The Parent (ThousandTHB)	-241,292.00	-494,441.20	-4,658.00
<b>Basic Earnings (Loss) Per Share (Baht/Share)</b> (ThousandTHB)	-0.18	-0.75	-0.09
EBITDA (ThousandTHB)	4,028.00	-477,306.00	62,263.00
Operating Profit (ThousandTHB)	-214,819.00	-121,908.00	72,304.00
Normalize Profit (ThousandTHB)	-127,845.00	-543,433.00	99,868.00

## Summary of cash flow statement

	THB		
	31 December 2022	31 December 2023	31 December 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
<b>Cash flow statement</b>			
Profit (Loss) Before Finance Costs And/Or Income Tax Expense (ThousandTHB)	-109,624.00	-601,373.00	-55,812.00
Depreciation And Amortisation (ThousandTHB)	58,487.00	60,008.00	49,011.00
Depreciation (ThousandTHB)	36,069.00	40,045.00	41,489.00
Amortisation (ThousandTHB)	22,418.00	19,963.00	7,522.00
(Reversal Of) Expected Credit Losses (ThousandTHB)	1,474.00	6,498.00	164,080.00
(Reversal Of) Loss From Diminution In Value Of Inventories (ThousandTHB)	-1,293.00	6,658.00	-4,395.00
Share Of (Profit) Loss From Investments Accounted For Using The Equity Method (ThousandTHB)	-133,595.00	-24,465.00	-26,320.00
(Gains) Losses On Foreign Currency Exchange (ThousandTHB)	-386.00	372.00	34.00
(Gains) Losses On Disposal Of Investment In Subsidiaries, Associates And Joint Ventures (ThousandTHB)	N/A	N/A	1,183.00
(Gains) Losses On Disposal And Write-Off Of Fixed Assets (ThousandTHB)	973.00	935.00	1,033.00
(Gains) Losses On Disposal Of Fixed Assets (ThousandTHB)	N/A	N/A	1,033.00
(Gains) Losses On Disposal And Write-Off Of Other Assets (ThousandTHB)	N/A	N/A	10,874.00

	THB		
	31 December 2022	31 December 2023	31 December 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
(Reversal Of) Loss On Impairment From Investments In Subsidiaries, Associates And Joint Ventures (ThousandTHB)	N/A	-406.00	-1,570.00
(Reversal Of) Impairment Loss Of Other Assets (ThousandTHB)	7,755.00	568,732.00	-132,121.00
Dividend And Interest Income (ThousandTHB)	-2,822.00	-117,458.00	-93,379.00
Dividend Income (ThousandTHB)	N/A	-113,684.00	-88,421.00
Interest Income (ThousandTHB)	-2,822.00	-3,774.00	-4,958.00
Finance Costs (ThousandTHB)	55,165.00	64,059.00	69,064.00
Employee Benefit Expenses (ThousandTHB)	16,412.00	9,287.00	11,696.00
(Reversal Of) Provisions (ThousandTHB)	15,428.00	5,052.00	53,845.00
<b>Cash Flows From (Used In) Operations Before Changes In Operating Assets And Liabilities</b> (ThousandTHB)	-92,026.00	-22,101.00	47,223.00
(Increase) Decrease In Trade And Other Receivables (ThousandTHB)	-238,984.00	-181,305.00	-243,054.00
(Increase) Decrease In Inventories (ThousandTHB)	4,866.00	-196,392.00	127,708.00
(Increase) Decrease In Other Operating Assets (ThousandTHB)	-55,646.00	350,834.00	-87,849.00
Increase (Decrease) In Trade And Other Payables (ThousandTHB)	68,891.00	80,680.00	62,407.00
Increase (Decrease) In Provisions For Employee Benefit Obligations (ThousandTHB)	-2,023.00	-6,361.00	-7,166.00
Increase (Decrease) In Other Operating Liabilities (ThousandTHB)	-5,287.00	272,511.00	-45,852.00

	THB		
	31 December 2022	31 December 2023	31 December 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
<b>Cash Generated From (Used In) Operations</b> (ThousandTHB)	-321,974.00	297,866.00	-146,583.00
Interest Received (ThousandTHB)	2,736.00	2,409.00	8,110.00
Interest Paid (ThousandTHB)	-52,055.00	-8,704.00	-82,761.00
Income Tax (Paid) Received (ThousandTHB)	78,156.00	-9,615.00	-8,986.00
<b>Net Cash From (Used In) Operating Activities</b> (ThousandTHB)	-293,137.00	281,956.00	-230,220.00
Proceeds From Investment (ThousandTHB)	N/A	N/A	5,204.00
Proceeds From Disposal Of Investments (ThousandTHB)	N/A	N/A	5,204.00
(Increase) Decrease In Short-Term Loan Receivables (ThousandTHB)	-1,360.00	-4,858.00	7,751.00
Proceeds From Disposal Of Fixed Assets (ThousandTHB)	1,531.00	59,272.00	1,533.00
Property, Plant And Equipment (ThousandTHB)	1,458.00	59,257.00	1,533.00
Payment For Purchase Of Fixed Assets (ThousandTHB)	-92,624.00	-74,234.00	-75,409.00
Property, Plant And Equipment (ThousandTHB)	-78,899.00	-72,133.00	-41,156.00
Intangible Assets (ThousandTHB)	-13,725.00	-2,101.00	-34,253.00
(Increase) Decrease In Restricted Deposits (ThousandTHB)	24,999.00	5,795.00	7,030.00
Dividend Received (ThousandTHB)	170,671.00	224,989.00	124,349.00
Other Items (Investing Activities) (ThousandTHB)	N/A	N/A	72,221.00

	THB		
	31 December 2022	31 December 2023	31 December 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
<b>Net Cash From (Used In) Investing Activities</b> (ThousandTHB)	103,217.00	210,964.00	142,679.00
Increase (Decrease) In Bank Overdrafts And Short-Term Borrowings - Financial Institutions (ThousandTHB)	372,033.00	-478,643.00	154,792.00
Repayments On Borrowings (ThousandTHB)	-191,479.00	-70,788.00	-9,100.00
Repayments On Long-Term Borrowings (ThousandTHB)	-191,479.00	-70,788.00	-9,100.00
Repayments On Lease Liabilities (ThousandTHB)	-5,621.00	-6,324.00	-13,643.00
<b>Net Cash From (Used In) Financing Activities</b> (ThousandTHB)	185,528.00	-473,183.00	132,049.00
<b>Net Increase (Decrease) In Cash And Cash Equivalent</b> (ThousandTHB)	-4,392.00	19,737.00	44,508.00
Cash And Cash Equivalents, Beginning Balance (ThousandTHB)	86,840.00	82,448.00	102,185.00
<b>Cash And Cash Equivalents, Ending Balance</b> (ThousandTHB)	82,448.00	102,185.00	146,693.00



## Key financial ratios

	2022	2023	2024
<b>Liquidity ratio</b>			
Current ratio (times)	0.74	0.80	0.76
Quick ratio (times)	0.35	0.57	0.59
Cash flow liquidity ratio (times)	0.00	0.00	0.00
Average account receivable turnover (times)	5.12	4.38	5.16
Average collection period (days)	71.28	83.29	70.69
Average finish goods turnover (times)	15.32	11.92	33.60
Average finish goods turnover period (days)	24.00	31.00	11.00
Average inventory turnover (times)	7.96	7.92	10.95
Average inventory turnover period (days)	46.00	46.00	34.00
Average account payable turnover (times)	4.08	4.35	4.67
Average payment period (days)	90.00	84.00	78.19
Average cash cycle (days)	28.00	46.00	26.00
<b>Profitability ratio</b>			
Gross profit margin (%)	4.65	7.65	7.49
Operating margin (%)	-8.95	-25.76	5.02
Other income to total income (%)	1.75	6.31	3.53
Cash from operation to operating profit (%)	0.00	-50.78	188.65
Net profit margin (%)	-5.98	-23.62	-1.95
Return on equity (ROE) (%)	-3.03	-14.17	-1.66
<b>Financial policy ratio</b>			
Total debts to total equity (times)	0.71	0.79	0.83

	2022	2023	2024
Interest coverage ratio (times)	-2.38	1.14	0.93
Interest bearing debt to EBITDA ratio (times)	-12.62	17.17	21.60
Debt service coverage ratio (times)	-0.08	0.07	0.05
Dividend payout ratio (%)	0.00	0.00	0.00
<b>Efficiency ratio</b>			
Return on asset (ROA) (%)	-1.84	-8.12	1.49
Return On Fixed Assets (%)	-7.37	-65.16	14.11
Asset turnover (times)	0.31	0.34	0.48

## 5. General information and other material facts

### 5.1 General information

#### General information

##### Securities registrar

**Name of securities registrar** : Thailand Securities Depository Co., Ltd.  
**Address/location** : 93 Ratchadaphisek Road  
**Subdistrict** : Din Daeng  
**District** : Din Daeng  
**Province** : Bangkok  
**Postcode** : 10400  
**Telephone** : 02-009-9000  
**Facsimile number** : 02-009-9991

##### Auditing firm

**Name of auditing firm\*** : A.M.T. & ASSOCIATES  
**Address/location** : 491/27 SILOM PLAZA, SILOM ROAD  
**Subdistrict** : -  
**District** : BANG RAK  
**Province** : Bangkok  
**Postcode** : 10500  
**Telephone** : +66 2234 1676  
**Facsimile number** : +66 2237 2133  
**List of auditors** : Mrs NATSARAK SAROCHANUNJEEN  
**License number** : 4563  
**List of auditors** : Miss JARUNEE NUAMMAE  
**License number** : 5596  
**List of auditors** : Miss DARANEE SOMKAMNERD  
**License number** : 5007  
**List of auditors** : Mr SIRAMATE AKKHARACHOTKULLANUN  
**License number** : 11821

## 5.2 Other material facts

### 5.2.1 Other information that may significantly influence investors' decision making

Other information that may influence investors' decision : No  
making

### 5.2.2 Restrictions of foreign shareholders

Are there restrictions on foreign shareholders? : No

## 5.3 Legal disputes

As of December 31, 2023, the Company has no legal disputes or cases that meet the following conditions:

1. Cases that may have a material adverse effect on the Company's assets exceeding 5% of shareholders' equity as of December 31, 2023.
2. Cases that have a significant impact on the Company's business operations.
3. Cases that do not arise from the normal course of business of the Company.

### Legal disputes

Is there any legal dispute? : No

## 5.4 Secondary market

### Secondary market

Has the company's security been listed on a stock exchange in : No  
another country?

## 5.5 Financial institution with regular contact (in case of debt securities offeror)

### Financial institution with regular contact

Are there any debt securities offered? : No

## Part 2 Corporate Governance



## 6. Corporate governance policy

### 6.1 Overview of the policy and guidelines

#### Overview of the policy and guidelines

Corporate governance policy and guidelines : Yes

The DEMCO Group is committed to sustainable development and growth based on good corporate governance principles that listed companies should adhere to, including ethics, morality, transparency, social and environmental responsibility, and responsibility to all stakeholders. This includes combating all forms of corruption and bribery. The Board of Directors has established various policies, codes of conduct, and ethics to guide the work of directors, executives, and employees in writing. The Board of Directors has established the corporate governance policy of the DEMCO Group for general awareness and compliance as follows:

- (1) Recognize the role and responsibility of the Board of Directors as leaders who create sustainable value for the business by setting the vision, mission, and core objectives for sustainability in three dimensions: economic, social, and environmental.
- (2) Manage and operate under the principles of good corporate governance, anti-corruption and bribery policies, and comply with relevant laws, regulations, and requirements.
- (3) Strengthening the effectiveness of the Board of Directors by covering structure, composition, qualifications, recruitment, and selection.
- (4) To effectively recruit and develop senior executives who are ethical and valuable to the organization, society, and the nation.
- (5) Promote innovation, responsible business practices, and ensure that all stakeholders are treated and protected in accordance with the law.
- (6) Ensure an effective and comprehensive risk management system, anti-corruption and bribery system, internal control system covering finance, operations, performance supervision, and appropriate audits.
- (7) Maintain financial credibility and promote the proper, adequate, transparent, and timely governance of information disclosure.
- (8) Promote and support stakeholder engagement, engagement, and communication equally.

The Board of Directors has assigned the Corporate Governance and Sustainability Committee to consider, review, promote, and monitor good corporate governance practices. The committee is responsible for studying, considering, reviewing, and updating the DEMCO Group's good corporate governance policy to ensure its modernity and relevance. This is to align with the principles of good corporate governance for listed companies in 2017 (CG Code 2017) of the Securities and Exchange Commission (SEC), the good corporate governance principles under the Corporate Governance Report (CGR) criteria of the Thai Institute of Directors Association (IOD), and the ASEAN Corporate Governance Scorecard principles. It also considers best practices of the Stock Exchange of Thailand (SET), as well as international standards, laws, regulations, rules, suggestions, and/or requirements of relevant agencies.

In terms of overseeing anti-corruption and bribery measures, the Board of Directors is aware of and understands the context of corruption issues and their impact on business, industry, and society as a whole. It is committed to combating all forms of corruption and bribery (Zero Tolerance) by participating in the Thai Private Sector Collective Action Coalition Against Corruption (CAC) from 2016 to the present. It also places importance on best practices for the Board of Directors and management in overseeing anti-corruption and bribery measures, including a process for communicating and understanding the risks of corruption and bribery in the business to executives, employees, and all stakeholder groups on an ongoing basis.

DEMCO has reviewed and updated its corporate governance policy to align with current circumstances and relevant regulations. The policy has been communicated to DEMCO personnel at all levels for adherence, and it is also disclosed on the company's website. Further details can be found at [www.demco.co.th](http://www.demco.co.th) Under the Corporate Governance section

#### DEMCO's Corporate Governance Compliance

Compliance with good corporate governance can improve operational efficiency and effectiveness, increase opportunities, and reduce business risks, leading to increased confidence among stakeholders such as shareholders, employees, customers, communities, and society.

Key individuals who play a vital role in driving effective corporate governance mechanisms within a business include shareholders, the Board of Directors, management, and employees, each with distinct roles and responsibilities. **But equally**

**important is to perform duties with honesty, fairness, transparency, and accountability to ensure that the business can achieve its stated objectives.**

DEMCO has established a good corporate governance policy and guidelines tailored to the business context of the DEMCO Group. These serve as guidelines for directors, executives, and employees to adhere to and practice. The company also has a monitoring system in place and discloses its practices to stakeholders to demonstrate transparency in its operations to all parties involved. This is done under the fundamental principles of good corporate governance, which recognize the rights of shareholders, customers, employees, partners, competitors, creditors, business partners, society, communities, and the environment. These principles are reflected in DEMCO's vision and code of conduct, with a policy to ensure that each stakeholder group is satisfied and receives their full rights based on the principles of fairness for sustainable growth together.

Reference link for the full version of corporate governance policy and guidelines : <https://www.demco.co.th/en/corporate-governance/corporate-governance>

### **6.1.1 Policy and guidelines related to the board of directors**

Are there policy and guidelines related to the board of directors : Yes

Guidelines related to the board of directors : Nomination of directors, Determination of director remuneration, Independence of the board of directors from the management, Director development, Board performance evaluation, Corporate governance of subsidiaries and associated companies

### **Nomination of directors**

The Nomination and Remuneration Committee will consider the list of qualified individuals to be the Company's directors from the nominations of shareholders and the Board of Directors. The Committee may also consider candidates from the Director Pool. The Committee has established criteria for the selection of directors that aim to ensure Board Diversity in terms of knowledge, abilities, experience, gender, nationality, ethnicity, age, and marital status, without discrimination or exclusion of any individual. In terms of knowledge and abilities, DEMCO has established a Board Skill Matrix that is aligned with and appropriate for DEMCO's direction and strategies to be used in the director selection process. The Nomination and Remuneration Committee will propose qualified candidates to the Board of Directors and/or shareholders for approval (as the case may be).

### **Determination of director remuneration**

The Nomination and Remuneration Committee is responsible for recommending appropriate remuneration for the Directors and Directors on Board Committees to the Board of Directors for consideration to propose to the shareholders for approval annually. The Committee has a policy to ensure that Directors' remuneration is at an appropriate level and commensurate with the Directors' duties and responsibilities to meet the expectations of various stakeholders and related risks, as well as comply with relevant laws and regulations.

### **Independence of the board of directors from the management**

The Board of Directors consists of independent directors, non-executive directors, and executive directors. The number of directors is as determined by the shareholders' meeting, but not less than 9 persons, of which at least 5 directors or more than half of the total number of directors (whichever is higher) are independent directors and no more than one-third of the total number of directors are executive directors. DEMCO has a policy that the Board of Directors should comprise individuals with diverse experience, knowledge, and abilities, including expertise in engineering, energy, and information technology, to ensure comprehensive coverage and alignment with the business direction of DEMCO Group.

The Board of Directors is responsible for electing an independent director or a non-executive director to serve as the Chairman of the Board.

The definitions of "independent director," "executive director," and "non-executive director" of DEMCO are in accordance with the criteria of the Securities and Exchange Commission (SEC) and the Capital Market Supervisory Board's Notification No. Tor Jor. 39/2559 Re: Application for Permission and Permission to Offer Newly Issued Shares, including any amendments to such notifications (if any).

DEMCO's definition of "independent director" adheres to standards higher than those stipulated by law. Details can be found on the company's website. [www.demco.co.th](http://www.demco.co.th) Under the topics of the Charter and the Definition of Independent Directors/ Definition of Independent Directors, respectively.

## Director development

DEMCO has a policy to promote each director's knowledge and understanding of their roles, responsibilities, the nature of the business, and laws related to business operations, as well as to support all directors in receiving regular skill and knowledge enhancement for performing their duties as directors.

Individuals appointed as new directors will receive guidance and information useful for performing their duties, including an understanding of the objectives, key goals, vision, mission, corporate values, as well as the nature of the business and DEMCO's business operations.

In addition, directors will receive continuous development of necessary knowledge, including an understanding of laws, regulations, risk standards, and the environment related to business operations, and will receive up-to-date information regularly.

## Board performance evaluation

Demco conducts an annual board performance evaluation using Self Evaluation and/or Cross Evaluation methods. Demco will use the feedback received from the board performance evaluation to improve the effectiveness of the board's work to maximize the benefits of corporate governance of Demco, consisting of

1. Board Performance Evaluation
2. Individual Director Performance Evaluation
3. Sub-Committee Performance Evaluation

## Corporate governance of subsidiaries and associated companies

The Board of Directors of subsidiaries/joint ventures is appointed by the Company's Board of Directors, consisting of company directors and executives involved in the management of that subsidiary/joint venture, as deemed appropriate.

The Board of Directors of subsidiaries/joint ventures plays a role in overseeing subsidiaries and other businesses in which DEMCO has significantly invested to operate in accordance with the framework and policies for subsidiary governance. This includes ensuring the operations of subsidiaries align with DEMCO's policies and good corporate governance principles. The Board should oversee the framework, governance mechanisms, policies, and operations of subsidiaries and other significantly invested businesses at a level appropriate to each entity. This also ensures that subsidiaries and other businesses in which DEMCO invests have a mutual understanding.

Details regarding the policy for governing subsidiaries/joint ventures of the DEMCO Group can be found on the company's website. [www.demco.co.th](http://www.demco.co.th) Under the topic of Corporate Governance/Company Policies

### 6.1.2 Policy and guidelines related to shareholders and stakeholders

Are there policy and guidelines and measures related to : Yes  
shareholders and stakeholders

Guidelines and measures related to shareholders and : Shareholders, Employee, Customer, Business competitors, Suppliers,  
stakeholders Creditors, Government agencies, Community and society, Other  
guidelines and measures related to shareholders and stakeholders

## Shareholders

- Demco is committed to being a good representative of shareholders in conducting business transparently and accountably, taking into account the long-term growth of the company's value and good returns.
- Demco adheres to performing duties with ethics, integrity, honesty, and fairness, taking into account both major and minor shareholders or the interests of stakeholders as a whole.
- Demco manages Demco's business to be progressive, stable, and generate good returns for shareholders.
- Demco discloses information, both financial and non-financial, related to the business and Demco's operating results that are accurate, adequate, consistent, timely, and reflect the true operating and financial status of Demco.

## Employee

- DEMCO considers employees to be important resources, a factor in its success. The Board of Directors, therefore, has a policy on taking care of compensation and welfare of employees and discloses regulations on employee benefits by issuing circulars to employees for acknowledgement and posting them on the Intranet. It encourages the development of the potential, knowledge, and abilities of employees at all levels to increase efficiency and work effectiveness continuously throughout the year.
- DEMCO provides channels for receiving complaints. If there are problems between employees or between employees and supervisors,

employees have the right to file a grievance. The person in charge will proceed according to the criteria and steps specified. If proven to be done in good faith, the employee will be protected without any impact on their work. DEMCO will not consider it as a termination or disciplinary action that will adversely affect the employee or related persons in any way.

- DEMCO has an energy conservation policy and environmental management guidelines, which the management considers the duty of all employees to cooperate in using resources efficiently and effectively under the concept of Green Business and Infrastructure.
- DEMCO has clear guidelines for personnel development and treats employees equally and fairly. There is an employee satisfaction survey (Engagement Survey) under the I DEMCO project, along with ensuring quality of life throughout the working period. Fair and appropriate compensation and benefits are provided, such as annual health check-ups, group life insurance, and provident funds.
- DEMCO takes care of occupational safety, health, and working environment. There are measures no less than those stipulated by law according to international standards. It operates to control and prevent losses in various forms due to accidents, fires, injuries, or illnesses from work, as well as maintaining a safe working environment for employees. DEMCO provides adequate and appropriate safety equipment, including the preparation of equipment and work facilities to be ready, as well as reducing steps in work to increase the efficiency and effectiveness of operations.

## **Customer**

- Production and delivery are carried out as per the contract in terms of both quantity and quality.
- Prompt and immediate response to customer demands.
- Fair treatment of all customer groups under relevant laws.
- Development of technology to reduce environmental impact.
- Preparing employees to adapt to changing situations.

## **Business competitors**

- Demco conducts business on the basis of free competition and fair play. Demco will not enter into any agreements with competitors or any person that would reduce or limit competition, or result in unfair competition, including price fixing, collusion, bid rigging, market allocation, and agreements to restrict supply.
- Disclosure or exchange of Demco's business information to business partners or joint ventures. Demco will cooperate with competitors if it is for the benefit of customers and must always be approved by senior management.

## **Suppliers**

- Demco will select business partners based on the criteria, qualifications, and characteristics specified in Demco's regulations, including procurement and sourcing that adheres to Demco's regulations and procedures on procurement. We operate transparently, provide information to partners equally and accurately, without bias, and do not discriminate against any partner. We also support partners who conduct business ethically, honestly, fairly, and with social and environmental responsibility.
- Demco is committed to complying with contracts, agreements, or conditions with Demco's partners based on equality and fairness, as well as communicating and developing good business processes for the benefit of both parties.
- Demco does not solicit or tolerate any dishonest acts or benefits, or taking advantage of business partners.
- Demco has established complaint channels to facilitate business partners and stakeholders, both online and offline, with a dedicated department responsible for investigating and managing complaints.

## **Creditors**

- Demco treats its creditors fairly, responsibly, and transparently by strictly and equally adhering to the terms and conditions of its agreements with creditors, both in terms of payment and other conditions agreed upon with creditors. Demco does not use funds obtained from borrowing in a manner that contradicts the objectives of the agreement made with the lender, nor does it use dishonest methods, conceal information, or facts that would cause damage to creditors.

## **Government agencies**

- Demco conducts business in strict compliance with the laws and regulations of regulatory agencies. We are committed to supporting various projects and collaborating with the government to demonstrate transparency, build mutual trust and confidence, and ultimately serve the best interests of society. We are also dedicated to providing complete and accurate information as requested by government agencies to ensure transparency, foster trust, and build confidence.

## **Community and society**

- Demco has shared the organization's values by promoting awareness of health and safety among employees and surrounding communities. Demco, in collaboration with hospitals and government agencies, regularly organizes blood donations from executives,

employees, and the general public every 4 months, including electrical system safety inspections for schools and temples in Demco's neighboring communities.

- Demco places importance on conducting business responsibly towards society and the environment by committing to management that increases positive impacts and reduces negative ones. This ensures that Demco coexists with the community and society in its areas of operation by creating a good understanding, jointly solving problems, and building lasting trust with the community and society.

## **Other guidelines and measures related to shareholders and stakeholders**

### Debtor

- DEMCO will comply with all agreements, contracts, or conditions with debtors and will not be selective in debt collection. In cases where compliance is not possible, DEMCO will promptly negotiate with debtors to find solutions together and prevent damages, using legal principles in conjunction with good governance.
- DEMCO will provide debtors with accurate, complete, and timely reports on outstanding debts regularly. DEMCO will also comply with laws, regulations, and conditions related to the treatment of debtors.

## 6.2 Business code of conduct

### Business code of conduct

Business code of conduct : Yes

Business ethics consists of business ethics and the code of conduct for directors, executives, and employees. Business ethics aims to focus on taking care of customers and the company's stakeholders to receive standard products and services. It defines the responsibilities of the Demco Group to customers and stakeholders, including the application of principles and concepts of conducting business with integrity according to good corporate governance principles and sustainable business practices. This supports ethical business conduct, respect for freedom, labor rights, human rights, conflict of interest management, information disclosure, occupational health, safety and environmental care, as well as compliance with relevant laws and regulations. The code of conduct for directors, executives, and employees aims to foster a culture of good corporate governance by establishing guidelines and standards of conduct for directors, executives, and employees to adhere to. This ensures that the operations of the Demco Group are in line with policies, as well as relevant laws, rules, and regulations.

#### Business Ethics and Conduct

The Demco Group has established a good corporate governance policy for the Board of Directors, executives, and all employees to adhere to as a guideline for their work. This promotes the Demco Group as a company with efficient business operations, excellent corporate governance, and adherence to the principles of good corporate governance for listed companies in 2017 (CG Code 2017). It emphasizes excellent management, business ethics, transparency, and accountability.

Demco has reviewed the Code of Ethics and Business Conduct Manual, updating its essence to be more modern and international. It is also aligned with good corporate governance policies, principles of good corporate governance, and the criteria of the Capital Market Supervisory Board and the Stock Exchange of Thailand, the Securities and Exchange Act, and the announcements and practices of the Stock Exchange of Thailand, which have been amended and updated. It consists of policies, principles, ethical standards, and good practices in 15 areas as follows:

- 1) Respect for Human Rights
- 2) Environment, Health and Safety
- 3) Anti-Corruption
- 4) Gifts
- 5) Conflicts of Interest
- 6) Politics
- 7) Treatment of Information and Assets
  - 7.1. Personal Information
  - 7.2. Data Recording, Reporting and Retention
  - 7.3. Use of Inside Information for Securities Trading and/or Providing Securities Trading Advice
  - 7.4. Use and Care of Company Assets
  - 7.5. Use and Care of Company Information Technology Systems
- 8) Disclosure of Information
- 9) Intercompany Transactions
- 10) Customer Treatment
- 11) Procurement, Sourcing and Supplier Conduct
- 12) Treatment of Creditors
- 13) Conducting Business in Foreign Countries
- 14) Competition
- 15) Anti-Money Laundering

To demonstrate the commitment to jointly uphold the essence of this updated manual and to use it as a guideline for work, ensuring that the Demco Group develops appropriate management systems, focuses on maximizing shareholder benefits, and considers stakeholders, social responsibility, and the environment, all personnel at all levels of the Demco Group are to understand, acknowledge, and accept this as a practice to maintain Demco's excellent corporate governance forever.

For more information, please visit the company's website: [www.demco.co.th](http://www.demco.co.th) Under the category of Good Corporate Governance

### Policy and guidelines related to business code of conduct

Guidelines related to business code of conduct : Prevention of conflicts of interest, Anti-corruption, Whistleblowing and Protection of Whistleblowers, Preventing the misuse of inside information, Money laundering prevention, Gift giving or receiving,

entertainment, or business hospitality, Compliance with laws, regulations, and rules, Information and assets usage and protection, Anti-unfair competitiveness, Information and IT system security, Environmental management, Human rights, Safety and occupational health at work, Other guidelines related to business code of conduct

## Prevention of conflicts of interest

To ensure fairness to all stakeholders, it is the policy of the Demco Group to prevent self-dealing by directors, executives, or employees of the Demco Group. Therefore, guidelines have been established for directors and executives of the Demco Group.

### Guidelines

1. Avoid engaging in transactions involving oneself that may cause a conflict of interest with the Demco Group.
2. If it is necessary to engage in a transaction for the benefit of the Demco Group, such transaction shall be conducted as if it were with an outside party. No director or executive of the Demco Group who has an interest in such transaction shall participate in the consideration for approval.
3. Do not seek benefits for oneself and related parties by using or disclosing undisclosed or confidential inside information to outside parties.
4. Do not use documents or information obtained from being a director, executive, or employee of the Demco Group in conducting business that competes with or is related to the Demco Group.

## Anti-corruption

Demco Group's business dealings with business associates must be conducted fairly, honestly, transparently, honestly, verifiably, and free from corruption, in accordance with relevant laws and Demco Group's anti-corruption policy, and must not cause suspicion or damage to the reputation of Demco Group. Therefore, the Anti-Corruption and Bribery Policy is established as follows:

- 1) Demco Group personnel must not engage in or participate in any form of corruption, bribery, both directly and indirectly, and are responsible for complying with the Anti-Corruption and Bribery Policy, the Corporate Governance Manual, the Code of Ethics, and the Demco Group Code of Business Conduct, as well as other relevant rules and regulations.
- 2) Demco Group personnel must exercise caution in accepting, giving gifts, assets, or any other benefits, including hospitality and other expenses. Giving or receiving gifts and entertainment must be for business purposes or customary practices only, with reasonable value, and must not influence decision-making in the performance of duties.
- 3) Charitable donations and financial support from Demco Group have a process of verification, approval, and review, which must be clearly documented and consistent with Demco Group regulations to ensure that charitable donations or financial support are not used as an excuse for corruption.
- 4) Demco Group has a process for regularly auditing systems and procedures for sales and marketing operations, as well as procurement and contracting, including assessing the risk of corruption and managing appropriate remedies.
- 5) Demco Group has a human resource management process that reflects its commitment to anti-corruption measures and has a policy of not demoting, punishing, or negatively impacting personnel who refuse to engage in corruption, even if such action results in Demco Group losing business opportunities. Demco Group has a clear communication process regarding this policy.
- 6) The internal audit unit must report the results of the self-assessment to the audit office. If any issues are found to be inconsistent with the anti-corruption policy, the audit office must notify the operating unit to improve control measures.
- 7) Demco Group has procedures in place for maintaining documents and records to be ready for audit to verify the accuracy and appropriateness of financial reporting, as well as procedures to ensure that there are no unrecorded, unexplained, or false transactions.
- 8) Demco Group has procedures in place to ensure that internal controls over accounting processes and data retention are audited to verify the effectiveness of anti-corruption procedures and to ensure that financial records are adequately documented for audit purposes.
- 9) Demco Group provides ongoing communication and training to Demco Group personnel to ensure a thorough understanding of anti-corruption measures, Demco Group's expectations, and penalties for non-compliance.
- 10) Demco communicates its Anti-Corruption and Bribery Policy and guidelines to subsidiaries, associates, other companies that Demco has control over, business partners, and stakeholders, as well as the public, through a variety of communication channels for their information and implementation of anti-corruption measures.
- 11) Demco Group personnel shall not ignore or overlook any act that may violate the anti-corruption measures. Demco provides channels for reporting and consultation when personnel need advice on complying with anti-corruption measures.
- 12) The Demco Sustainability Development Working Group is responsible for reporting on the performance of these anti-

corruption measures to the Corporate Governance and Sustainability Committee and the Board of Directors on a regular basis at least annually.

13) The internal audit unit can urgently report the issues found to the Chief Executive Officer, Managing Director, and the Audit Committee for reporting to the Demco Board of Directors.

14) Cooperate and provide truthful information to state agencies responsible for investigating corruption, such as the National Anti-Corruption Commission (NACC), the Public Sector Anti-Corruption Commission (PACC), the Anti-Corruption Collaboration Commission (ACT), the Royal Thai Police, the Court, and anti-corruption agencies.

#### **Guidelines for Practice**

1. The Board of Directors, executives, and employees of Demco Group at all levels must comply with the Anti-Corruption and Bribery Policy and the Code of Conduct of Demco Group and must not be involved in corruption, either directly or indirectly, for the benefit of themselves, their families, friends, and acquaintances.
2. Demco Group personnel shall not ignore or overlook any act of fraud and corruption related to Demco Group and must notify their supervisor or the person in charge and cooperate in verifying the facts. If there are any doubts or questions, consult with the supervisor or the person assigned to be responsible for monitoring compliance with the Demco Group Code of Conduct through the designated channels.
3. Demco Group will provide fairness and protection to employees who refuse to engage in corruption related to Demco Group by using measures to protect whistleblowers or those who cooperate in reporting corruption as specified by Demco in the Anti-Corruption and Bribery Measures Manual. There will be no action to demote, punish, or negatively impact Demco Group personnel who refuse corruption, even if such action results in the company losing business opportunities. Demco Group has established a process for the operation of each department to serve as operational guidelines, defining roles, responsibilities, and accountability, with a traceable and auditable process.
4. Demco Group personnel who commit corruption are considered to have violated the Demco Group Code of Conduct and will be subject to disciplinary action under the regulations set by Demco Group. In addition, they may be subject to legal penalties if the act is illegal.
5. Demco Group recognizes the importance of disseminating, educating, and creating understanding among other persons who have to perform duties related to or may have an impact on Demco in matters that must comply with this Anti-Corruption Policy.
6. Demco Group is committed to creating and maintaining an organizational culture that upholds the belief that corruption is unacceptable, both in transactions with the government and the private sector.

## **Whistleblowing and Protection of Whistleblowers**

The Board of Directors is committed to conducting business with transparency, under the framework of the law, ethical principles, and good corporate governance. The Board also supports the fight against corruption and bribery in all forms and is well aware that corruption and bribery affect the development of the economic system, society, and national security. The company has provided communication channels to receive complaints or whistleblowing information. The company has a policy to protect informants and will keep the information confidential. There are also measures to investigate and impose penalties according to relevant regulations.

To achieve sustainable development, the Demco Group has established a channel for complaints and suggestions (Whistle Blower), allowing employees and stakeholders to express their opinions freely and report illegal activities, corruption, or bribery. The objectives are:

- Development/Training
- Management improvement/correction
- Fact-checking

The Audit Office is assigned to act as the coordinating unit for receiving ethical complaints regarding the support of anti-corruption and bribery measures of the Demco Group.

Details can be studied from the Anti-Corruption and Bribery Measures Manual, which is published on the company's website. [www.demco.co.th](http://www.demco.co.th) Under the Corporate Governance section

## **Preventing the misuse of inside information**

Inside information refers to information that has not yet been disclosed to the public and is considered important information that may have a significant impact on the business operations of DEMCO Group, the price of securities, or influence the decisions of investors, including information in financial statements, earnings forecasts, significant changes, liquidity problems, new investments, information related to bidding, material litigation, etc.

#### **Guidelines**



1. Executives and employees, including their spouses and children, are prohibited from using material non-public information to trade, transfer, or receive DEMCO securities, which is considered taking advantage of outsiders.
2. Executives and employees are prohibited from advising or recommending anyone to buy or sell DEMCO securities using inside information of DEMCO Group.
3. It is forbidden to disclose inside information to unrelated persons such as family members, relatives, etc. Information that has not been disclosed to the public can only be provided to individuals within the company as necessary or relevant to that person.

For more information, please refer to the Conflict of Interest Prevention Policy disclosed on the company's website at [www.demco.co.th](http://www.demco.co.th) under the Corporate Governance section.

## Money laundering prevention

DEMCO Group adheres to and complies with regulations, rules, and laws related to Anti-Money Laundering and Combating the Financing of Terrorism. This means that DEMCO Group will not accept transfers, convert assets, or support the transfer or conversion of any assets related to unlawful activities. This is to prevent anyone from using DEMCO Group as a channel or tool to transfer, conceal, or disguise the source of illegally obtained assets.

### Practices

1. Before conducting any transactions with a counterparty, it is essential to verify that the source of funds is legitimate.
2. Do not transfer money to unknown accounts or accept transfers with unusual payment characteristics.
3. In case of encountering any unusual transactions, report to the supervisor immediately.

## Gift giving or receiving, entertainment, or business hospitality

The Company's Board of Directors announces the enforcement of the Gift and Entertainment Policy and the Donation and Sponsorship Policy to ensure that employees understand the policy on giving gifts and entertainment to individuals or external agencies related to the business operations of the Demco Group. To help strengthen good relationships with individuals or external agencies that do business or are about to do business with the company, it may be unavoidable for employees to be involved in entertainment. Therefore, the company's employees involved in giving gifts and entertainment to individuals or external agencies in working for the company must exercise appropriate judgment in each case without expecting to receive services or specific compensation that is unethical and must consider the form of gift-giving and entertainment, the purpose of the item, the external image, the position of the person being entertained, applicable laws, and traditions to comply with the company's good governance policy, business ethics policy, and not support actions that violate relevant policies.

## Compliance with laws, regulations, and rules

Demco has established a Code of Conduct for Directors and Employees as a guideline to serve as a standard for the conduct of personnel at all levels of the Demco Group in conducting themselves ethically. It is a demonstration that the Demco Group is committed to complying with laws and regulations. Furthermore, the Code of Conduct serves as a reminder to exercise caution in one's conduct and to prevent directors and employees from committing any act that violates regulations, rules, and disciplines that would damage the reputation of the Demco Group.

For further details, please visit the company's website [www.demco.co.th](http://www.demco.co.th) under the Corporate Governance section.

## Information and assets usage and protection

**Demco** has established a code of ethics for directors and employees as a manual to serve as a standard for the performance of personnel at all levels of the Demco Group in using the assets of the Demco Group effectively, carefully, and taking care not to damage or lose them. The assets shall not be used for inappropriate purposes or wasted, and not used illegally. In this regard, the asset management unit must be notified immediately when the assets are damaged or lost. It is also stipulated that the assets of the Demco Group must be used for the benefit of work to the fullest extent and not for personal benefit or for the benefit of others.

## Anti-unfair competitiveness

Demco requires all executives and employees to thoroughly study and understand the laws regarding competition and anti-monopoly practices before taking any action. Do not make any agreements with competitors or any person that would reduce or limit competition in commerce or result in unfair competition, including price-fixing, bid rigging, market allocation, and supply restriction agreements. Approval from senior management is also required for disclosing or exchanging Demco Group's confidential business information to business partners or joint ventures.

## Information and IT system security

Demco recognizes the importance of information technology and communication, which are important factors in promoting business operations and increasing work efficiency to be appropriate, efficient, secure, and continuously operational. It also prevents problems that may arise from improper use of information technology systems and threats from various sources.

Demco has established a policy to provide the Demco Group with a framework for good corporate governance and management of information technology. This policy is based on the rules and practices for providing information technology systems, the guidelines for maintaining the security of information systems of the Securities and Exchange Commission, as well as other relevant laws, and has been adapted to suit the business context of the Demco Group. This ensures that the business group has a framework for corporate governance and management of information technology that is appropriate and consistent. It also ensures that information technology is used to support and develop business operations and risk management so that the Demco Group can achieve its objectives and main goals, utilize resources, and manage risks appropriately in accordance with good corporate governance. The Demco Group's information technology policies are as follows:

- 1) Information Technology Risk Management and Governance Policy
- 2) Information Technology System Security Policy

For more information, please visit the company's website: [www.demco.co.th](http://www.demco.co.th) Under the Good Corporate Governance category

## Environmental management

DEMCO is committed to conducting business without impacting the environment. The company has an integrated environmental management system covering energy, air, water and waste management, including the efficient and sustainable use of resources in accordance with the Circular Economy. This involves maximizing resource efficiency throughout the supply chain, reducing greenhouse gas emissions, and increasing the capacity to adapt to climate change. DEMCO also strives to foster a culture of environmental responsibility by disseminating and encouraging employees and stakeholders to be aware of and participate in the company's culture of environmental responsibility. The company adheres to the principle of acting in accordance with relevant environmental regulations and laws. Furthermore, DEMCO prioritizes avoiding environmental burdens, pollution, safety hazards, or even visual pollution that may arise in the workplace and construction sites where DEMCO operates, including communities and local organizations.

In addition, the company has established an environmental management system policy to ensure proper operation in strict compliance with laws and regulations.

## Human rights

Conducting business based on respect for and compliance with the law is something that everyone in the Demco Group is aware of and attaches importance to. It is stipulated in the Demco Code of Conduct and in the Demco Good Corporate Governance Handbook that they must comply with rules, regulations, shareholder resolutions, and laws with honesty and prudence.

Demco focuses on ensuring that the operations of the Board of Directors, executives, and all employees must treat all stakeholders with respect, honor each other based on human dignity, or not act to affect the rights and liberties of others that violate the provisions of the law. Such practices are the organization's ethical standards that all Demco personnel must strictly adhere to. If there is a violation or non-compliance, they will be punished according to the severity of the offense and considered a disciplinary offense.

Demco places importance on activities that may affect human rights in all aspects by adhering to and complying with relevant laws. Demco has a clear policy of not employing child labor, upholding freedom of religion, non-discrimination based on race, religion, gender, and social status. In addition, Demco respects the human rights of employees at all levels by strictly protecting and not disclosing employees' personal information, such as personal history, salary, etc., to outsiders or unrelated persons. Demco has established and complies with a personal data protection policy, including the use of work regulations that have been compiled into manuals, communicated to employees to be aware of the rules, regulations, and work regulations, and orientation before starting work. In addition, Demco also encourages partner companies, alliances, and stakeholders to be aware of the policy to serve as a guideline for implementation in the same direction.

You can find out more details on the company's website [www.demco.co.th](http://www.demco.co.th) under the Good Corporate Governance section.

## Safety and occupational health at work

DEMCO prioritizes the safety and well-being of all employees, including contractors who do business with the company. DEMCO recognizes that effective occupational health and safety management, including continuous employee training on safety standards, is an effective and efficient measure and management to prevent unexpected events. This leads to a safety culture within the organization, promoting employee confidence and morale. In addition, good occupational health and safety management also helps reduce the risk of business slowdown due to safety incidents.

DEMCO is committed to operating in safety, occupational health, and working environment under the slogan "Standards and Safety are the Heart of the Organization's Work". It requires all employees and workers to strictly comply with DEMCO's safety, occupational health, and working environment policies under the relevant legal framework, such as the Occupational Safety, Health and Working Environment Management Standard B.E. 2549. It also establishes a Safety Committee consisting of a Safety Committee Chairman appointed by the employer, employee representatives from all operational levels elected by employees, and a certified safety officer who serves as a committee member and secretary. The committee is required to meet at least once a month to report and receive suggestions for corrective actions to comply with occupational safety laws and safety standards relevant to DEMCO. It also promotes and supports work safety activities, including regular monitoring of safety performance, and uses the information for future work planning.

DEMCO desires and strives to ensure that its personnel and stakeholders have a good quality of life under effective safety, occupational health, and working environment management. This is an important factor for sustainable development and helps to improve work efficiency. DEMCO promotes and supports a healthy and safe working environment in accordance with relevant policies, laws, regulations, and international standards. This aims to achieve zero work-related accidents, reduce the risk of occupational diseases for employees and stakeholders throughout the supply chain, and continuously develop the safety, occupational health, and working environment management system.

DEMCO has a "Safety, Occupational Health and Working Environment Management System Standard (TOSH – OSHMS : 2019)" at the Silver level, focusing on preventing accidents and occupational illnesses. All departments are required to adhere to and implement this standard under the supervision of the Safety and Environment Department.

For more details, please visit the company's website: [www.demco.co.th](http://www.demco.co.th) Under the Good Corporate Governance category

## Other guidelines related to business code of conduct

### Investor Relations Code of Conduct

DEMCO places great importance on conducting business under good corporate governance principles to ensure that the company's investor relations practices are correct, complete, transparent, and in accordance with the law, regulatory requirements, and DEMCO's regulations. Therefore, the "Investor Relations Code of Conduct" has been established for the Board of Directors, executives, and employees involved in investor relations to use as guidelines or a framework in performing their duties and to promote ethical principles. It also serves as a guideline for the governance, monitoring, control, and supervision of those assigned as investor relations personnel. This framework emphasizes prudence to maximize benefits for all stakeholders equally and fairly. The scope of this Code of Conduct applies to all directors, executives, and employees involved in investor relations disclosures and related activities. This Code of Conduct is a supplement to, and does not replace, DEMCO's Employee Code of Conduct and policies on confidential information and information that may affect securities prices.

For more information, please visit the company's website [www.demco.co.th](http://www.demco.co.th) under the Good Corporate Governance section.

## Promotion of compliance with the business code of conduct

Promotion for the board of directors, executives, and : Yes  
employees to comply with the business code of conduct

The highest standards of professionalism and ethical conduct at DEMCO and its group of companies are what the Board of Directors, executives, and all employees must strive to uphold. This is because the Code of Conduct not only sets the framework for such standards but also reflects the core values of I DEMCO.

Our vision is to be a leading producer and provider of clean energy, electrical systems, and utilities with innovative and modern technology to create sustainable value. We operate with integrity towards our customers and profession, with determination and commitment to success. We believe in effective teamwork, expertise, and delivering high-quality services to our customers. We strive to create added value and generate consistent returns for our shareholders. We are responsible for society and the environment, which are the values of "I DEMCO" that will help drive the business of DEMCO Group to achieve this vision.

In all operations of DEMCO Group, we respect the rule of law and the dignity of each individual. We are committed to conducting DEMCO's business to the highest ethical standards.

DEMCO has established a Code of Conduct for Directors and Employees as a guideline for the conduct of personnel at all levels of DEMCO Group. This code promotes ethical behavior and demonstrates DEMCO Group's commitment to complying with laws and

regulations. Additionally, the Code of Conduct serves as a reminder to exercise caution in one's conduct and prevents directors and employees from engaging in any actions that violate regulations, rules, and disciplines that would damage the reputation of DEMCO Group.

For further information, please visit the company's website. [www.demco.co.th](https://www.demco.co.th) Under the Good Corporate Governance category:

Reference link for the process of promotion for the board of directors, executives, and employees to comply with the business code of conduct	:	<a href="https://www.demco.co.th/th/corporate-governance/corporate-governance">https://www.demco.co.th/th/corporate-governance/corporate-governance</a>
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## Participation in anti-corruption networks

Participation or declaration of intent to join anti-corruption networks	:	Yes
Anti-corruption networks or projects the company has joined or declared intent to join	:	Thai Private Sector Collective Action Against Corruption (CAC) CAC membership certification status : Certified

## 6.3 Material changes and developments in policy and corporate governance system over the past year

### 6.3.1 Material changes and developments related to the review of policy and guidelines in corporate governance system or board of directors' charter

In the past year, did the company review the corporate governance policy and guidelines, or board of directors' charter : Yes

Material changes and developments in policy and guidelines over the past year : Yes

The Board of Directors assigned the Corporate Governance and Sustainability Committee to consider, review, promote, and monitor the implementation of good corporate governance; study, consider, review, and improve the good corporate governance policy of the DEMCO Group to be modern and up-to-date in order to comply with the best practices of corporate governance for listed companies 2017 (CG Code 2017) of the Securities and Exchange Commission (SEC), the principles of good corporate governance according to the criteria of the Corporate Governance Report of Thai Listed Companies (CGR) of the Thai Institute of Directors Association (IOD), and the principles of good corporate governance according to the ASEAN Corporate Governance Scorecard and relevant best practices of the Stock Exchange of Thailand (SET), as well as international standards, laws, rules, regulations, suggestions, and/or requirements of relevant agencies. In 2024, the Committee considered and approved the following matters:

Considered and reviewed the vision and mission.

The Board of Directors has considered and reviewed the vision and mission to be appropriate for the Company's current operational goals. The resolution of the Board of Directors Meeting No. 6/2024 reviewed and approved the amendment of the new vision and mission as follows:

Vision

"To be a producer and provider of clean energy, electrical systems, and utilities with innovation and modern technology to create sustainable value."

Mission

1. To be an investor and developer of efficient energy management (Smart Energy Ecosystem).
2. To build confidence among stakeholders with innovation and modern technology, providing quality services with a highly efficient team.
3. To seek business opportunities to generate good returns for stakeholders continuously.
4. To focus on operations in accordance with the principles of sustainable development.

Considered and approved the review of the charter to be in line with the changing context. The 6/2024 Board of Directors Meeting approved the review of the following subcommittee charters:

1. Audit Committee Charter
2. Corporate Governance and Sustainability Committee Charter
3. Nomination and Remuneration Committee Charter

- Considered and reviewed various policies of the DEMCO Group to be in line with the principles of good corporate governance for listed companies of the Stock Exchange of Thailand and recommendations from the assessment of the Corporate Governance Report of Thai Listed Companies (CGR) project, the ASEAN Governance Scorecard criteria, including the adoption of the principles of good corporate governance for listed companies 2017 (CG Code) of the Securities and Exchange Commission to be applied in accordance with the context of the DEMCO Group, such as the Corporate Governance Policy, the Policy on Acquisition and Disposal of Assets, the Policy on Confidential Information and Information That May Affect Securities Prices, the Safety, Occupational Health and Environment Policy, etc.

- Considered the assessment results of the Corporate Governance Report of Thai Listed Companies (CGR) project organized by the Thai Institute of Directors (IOD) and provided suggestions to improve and develop various policies and practices to be in line with the criteria and recommendations of the assessment project and to be continuously improved. In 2024, the Company was rated at the Excellent level for the 9th consecutive year.

- Considered the report on receiving suggestions and complaints from stakeholders of the DEMCO Group, as the channels and procedures for receiving complaints from DEMCO's stakeholders have been established through the website [www.demco.co.th](http://www.demco.co.th). This information will be sent to the E-mail address: [goodgovernance@demco.co.th](mailto:goodgovernance@demco.co.th), which the Corporate Governance and Sustainability Committee will be the direct recipient of complaints. In 2024, there were no complaints from DEMCO's stakeholders.

- Hired an independent internal audit expert from outside to help the company's internal audit team perform internal audits according to the plan approved by the Audit Committee, in accordance with international standards for internal audit practice,

and to use recommendations from the audit to improve and develop the internal control system to be more efficient, as well as to build confidence among stakeholders.

In addition, in 2024, DEMCO received a BBB rating from the Stock Exchange of Thailand's SET ESG Rating.

### 6.3.2 Implementation of the CG Code for listed companies

Implementation of the CG Code as prescribed by the SEC : Fully implement

Demco places importance on implementing the principles of good corporate governance for listed companies in 2017 (Corporate Governance Code 2017: CG Code 2017) by the Securities and Exchange Commission. In 2023, Demco prepared and submitted the Annual Information Report (Form 56-1 One Report) in accordance with the Capital Market Supervisory Board's Notification No. TorJor. 54/2562 regarding the Rules, Conditions, and Procedures for Reporting Disclosure of Information on the Financial Status and Performance of Listed Companies (No. 17), dated December 3, 2019, to relevant departments. This ensures the accuracy and completeness of Form 56-1, adhering to legal requirements and aligning with the SEC's CG Code. Additionally, Demco prepares operational performance data based on its good corporate governance principles for disclosure in the Annual Report (Form 56-1 One Report).

### 6.3.3 Other corporate governance performance and outcomes

Demco Group's commitment to operating with transparency, fairness, and consideration for all stakeholders has resulted in Demco receiving awards for good corporate governance and social responsibility, including:

- The assessment result of the Corporate Governance Report of Thai Listed Companies (CGR) for the year 2024 was rated as "Excellent" by the Thai Institute of Directors (IOD) for the 9th consecutive year.
- Certified as a member of the Private Sector Collective Against Corruption (CAC) from April 22, 2016, to the present.
- Received a "Very Good" rating for the quality assessment of the 2024 Annual General Meeting of Shareholders from the Thai Investors Association and the Securities and Exchange Commission, with a score of 98%.
- Demco requires employees to undergo knowledge and understanding tests on business ethics as defined by the company, which encourages employees to act in accordance with established policies.

The Board of Directors has performed its duties with prudence, diligence, transparency, and independence, as well as providing straightforward opinions for the best interests of shareholders, investors, and all stakeholders. The Board is committed to performing its duties in strengthening balanced corporate governance and long-term potential to enable Demco Group to develop sustainably.

For more details on corporate governance, please visit the company's website. [www.demco.co.th](http://www.demco.co.th) Under the category of good corporate governance

## 7. Corporate governance structure and significant information related to the board of directors, subcommittees, executives, employees, and others

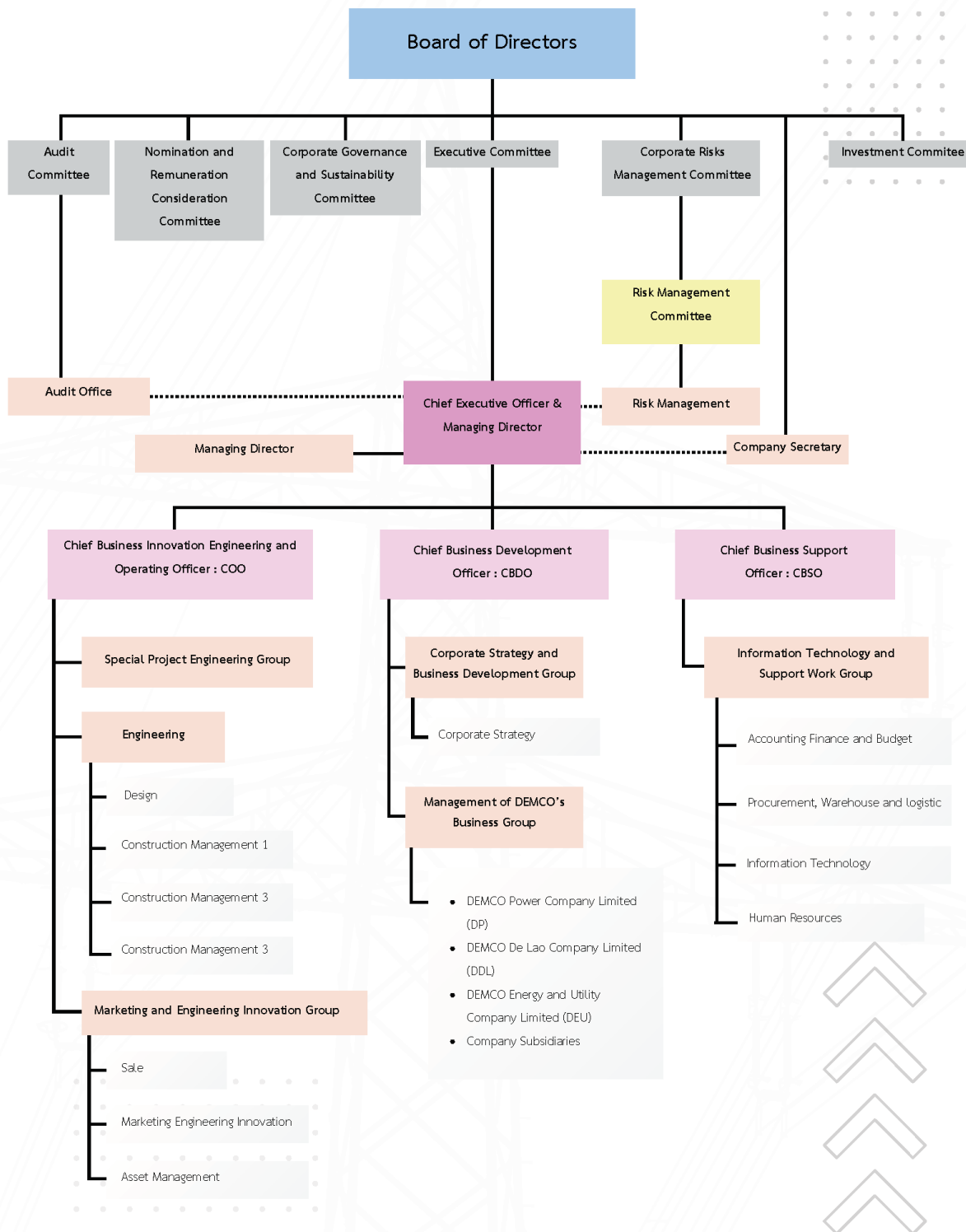
### 7.1 Corporate governance structure

#### Corporate governance structure diagram

Corporate governance structure as of date : 31 December 2024

#### Corporate governance structure diagram

# ORGANIZATION CHART





## 7.2 Information on the board of directors

### 7.2.1 Composition of the board of directors

	Number (persons)	Percent (%)
Total directors	11	100.00
Male directors	11	100.00
Female directors	0	0.00
Executive directors	2	18.18
Non-executive directors	9	81.82
Independent directors	6	54.55
Non-executive directors who have no position in independent directors	3	27.27

### 7.2.2 The information on each director and controlling person

#### List of the board of directors

List of directors	Position	First appointment date of director	Skills and expertise
<p>1. Mr. NUMCHAI LOWATTANATAKUL  Gender: Male  Age : 68 years  Highest level of education : Master's degree  Study field of the highest level of education : Business Administration  Thai nationality : Yes  Residence in Thailand : Yes  Family relationship between directors and executives : Doesn't Have  Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have  DAP course : No  DCP course : Yes</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> <li>• Shareholding by persons related to directors, executives according to Section 59 <sup>(**)</sup> : 0 Shares (0.000000 %)</li> </ul>	<p>Chairman of the board of directors  (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Continuing director (Full term of directorship and being re-appointed as a director)</p>	14 Feb 2023	Business Administration, Engineering, Strategic Management, Risk Management, Accounting
<p>2. Mr. PRIN BHOLNIVAS  Gender: Male  Age : 68 years  Highest level of education : Master's degree  Study field of the highest level of education : Accounting  Thai nationality : Yes  Residence in Thailand : Yes  Family relationship between directors and executives : Doesn't Have  Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have  DAP course : Yes  DCP course : Yes</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> <li>• Shareholding by persons related to directors, executives according to Section 59 <sup>(**)</sup> : 0 Shares (0.000000 %)</li> </ul>	<p>Director  (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Continuing director (Full term of directorship and being re-appointed as a director)</p>	27 Apr 2018	Accounting, Corporate Management, Risk Management, Human Resource Management, Strategic Management

List of directors	Position	First appointment date of director	Skills and expertise
<p>3. Mr. MANOON MANUSOOK</p> <p>Gender: Male</p> <p>Age : 55 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Finance</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> <li>• Shareholding by persons related to directors, executives according to Section 59 <sup>(**)</sup> : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Continuing director (Full term of directorship and being re-appointed as a director)</p>	28 Sep 2023	Business Administration, Human Resource Management, Finance, Accounting, IT Management
<p>4. Mr. AMNUAYCHAI SUWANSOONTORN</p> <p>Gender: Male</p> <p>Age : 66 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Political Science</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> <li>• Shareholding by persons related to directors, executives according to Section 59 <sup>(**)</sup> : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	27 Apr 2023	Accounting, IT Management, Risk Management, Strategic Management, Public Administration

List of directors	Position	First appointment date of director	Skills and expertise
<p>5. Mr. NUTTPASINT CHET-UDOMLAP</p> <p>Gender: Male</p> <p>Age : 33 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Finance</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> <li>• Shareholding by persons related to directors, executives according to Section 59 <sup>(**)</sup> : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	3 Feb 2023	Economics, Accounting, Finance, Strategic Management, Business Administration
<p>6. Mr. ORAND PUIPUNTHAVONG</p> <p>Gender: Male</p> <p>Age : 47 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Economics</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : Yes</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 1,452,701 Shares (0.193441 %)</li> <li>• Shareholding by persons related to directors, executives according to Section 59 <sup>(**)</sup> : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	12 Jan 2017	Economics, Marketing, Human Resource Management, Strategic Management, Risk Management

List of directors	Position	First appointment date of director	Skills and expertise
<p>7. Mr. BUNDIT AOWSATHAPORN</p> <p>Gender: Male</p> <p>Age : 54 years</p> <p>Highest level of education : Doctoral degree</p> <p>Study field of the highest level of education : Doctor of Education in Educational Administration</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : Yes</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> <li>• Shareholding by persons related to directors, executives according to Section 59 <sup>(**)</sup> : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	27 Apr 2023	<p>Business Administration, Law, Human Resource Management, Risk Management, Strategic Management</p>
<p>8. Mr. SOMPONG PONGSAKULRANGSRI</p> <p>Gender: Male</p> <p>Age : 66 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Public and Private Sector Management</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> <li>• Shareholding by persons related to directors, executives according to Section 59 <sup>(**)</sup> : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	12 Aug 2023	<p>Engineering, Risk Management, Business Administration, Strategic Management, Project Management</p>

List of directors	Position	First appointment date of director	Skills and expertise
<p>9. Mr. NARONG JENNARONGSAK</p> <p>Gender: Male</p> <p>Age : 54 years</p> <p>Highest level of education : Doctoral degree</p> <p>Study field of the highest level of education : Business Administration</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> <li>• Shareholding by persons related to directors, executives according to Section 59 <sup>(**)</sup> : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	12 Aug 2023	<p>Business Administration, Marketing, Strategic Management, Risk Management, Information &amp; Communication Technology</p>
<p>10. Mr. PHONGSAK SIRICUPTA</p> <p>Gender: Male</p> <p>Age : 66 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Economic Development, Institute of Development Administration (NIDA)</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 4,137,399 Shares (0.550934 %)</li> <li>• Shareholding by persons related to directors, executives according to Section 59 <sup>(**)</sup> : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Executive Directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	12 May 2006	<p>Economics, Marketing, Engineering, Risk Management, Strategic Management</p>

List of directors	Position	First appointment date of director	Skills and expertise
<p>11. Mr. PAITON GUMCHAI</p> <p>Gender: Male</p> <p>Age : 62 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Finance</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 561,626 Shares (0.074786 %)</li> <li>• Shareholding by persons related to directors, executives according to Section 59 <sup>(**)</sup> : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Executive Directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	29 Apr 2013	<p>Finance, Human Resource Management, Corporate Management, Risk Management, Strategic Management</p>

Additional explanation :

(\*) Any offense under the Securities and Exchange Act B.E. 2535 (1992) or the Derivatives Act B.E. 2546 (2003), only in the following cases:

(1) Dishonest act or gross negligence

(2) Disclosure or dissemination of false information or statements that may be misleading or conceal material facts that should be notified, which may affect decision making of shareholders, investors or other parties involved

(3) Unfair acts or exploitation of investors in trading securities or derivatives, or participation in, or support to, such acts.

(\*\*) Shareholdings by persons related to directors or executives as prescribed in Section 59 of the Securities and Exchange Act B.E. 2535 (1992), such as spouses or cohabiting couple (unmarried couples living together openly), minor children, etc.

## Diagram of the board of directors

## MANAGEMENT STRUCTURE



**MR. NUMCHAI LOWATTANAKUL**  
Chairman of the Board, Independent Director



**MR. PRIN BHOLNIVAS**  
Independent Director,  
Chairman of Audit Committee,  
Member of Investment Committee,  
Member of Nomination and  
Remuneration Consideration Committee



**MR. MANOON MANUSOOK**  
Independent Director,  
Chairman of Corporate Governance and  
Sustainability Committee, Member of Audit  
Committee, Member of Corporate Risk  
Management Committee



**MR. AMNUAYCHAI  
SUWANSOONTHORN**  
Independent Director,  
Chairman of Nomination and  
Remuneration Consideration Committee,  
Member of Corporate Governance and  
Sustainability Committee



**MR. NUTTPASINT  
CHET-UDOMLAP**  
Non-Executive Director,  
Chairman of Corporate Risk  
Management Committee, Member of  
Investment Committee



**MR. ORAND PUIPUNTHAVONG**  
Non-Executive Director,  
Chairman of Investment Committee,  
Member of Nomination and  
Remuneration Consideration Committee



**DR. BUNIT AOWSATHAPORN**  
Independent Director,  
Member of Audit Committee,  
Member of Corporate Governance and  
Sustainability Committee



**MR. SOMPONG  
PONGSAKULRANGSRI**  
Independent Director,  
Member of Corporate Risk Management  
Committee, Member of Investment  
Committee



**DR. NARONG JENNARONGSAK**  
Non-Executive Director, Member of  
Corporate Governance and Sustainability  
Committee, Member of Corporate Risk  
Management Committee



**MR. PHONGSAK SIRICUPTA**  
Executive Director,  
Member of Investment Committee,  
Member of Corporate Risk Management  
Committee, Member of Corporate  
Governance and Sustainability  
Committee, Chairman of Executive  
Committee, Chief Executive Officer &  
Managing Director



**MR. PAATOON GUMCHAI**  
Executive Director,  
Member of Corporate Risk Management  
Committee, Member of Investment  
Committee, Member of Executive Committee,  
Chief Business Support Officer



### List of the board of directors by position

List of the board of directors	Position	Executive directors	Non-executive directors	Independent directors	Non-executive directors who have no position in independent directors	Authorized directors as per the company's certificate of registration
1. Mr. NUMCHAI LOWATTANATAKUL	Chairman of the board of directors		✓	✓		
2. Mr. PRIN BHOLNIVAS	Director		✓	✓		
3. Mr. MANOON MANUSOOK	Director		✓	✓		
4. Mr. AMNUAYCHAI SUWANSOONTORN	Director		✓	✓		
5. Mr. NUTTPASINT CHET-UDOMLAP	Director		✓		✓	✓
6. Mr. ORAND PUIPUNTHAVONG	Director		✓		✓	✓
7. Mr. BUNDIT AOWSATHAPORN	Director		✓	✓		
8. Mr. SOMPONG PONGSAKULRANGSRI	Director		✓	✓		
9. Mr. NARONG JENNARONGSAK	Director		✓		✓	✓
10. Mr. PHONGSAK SIRICUPTA	Director	✓				✓
11. Mr. PAITON GUMCHAI	Director	✓				✓
<b>Total (persons)</b>		<b>2</b>	<b>9</b>	<b>6</b>	<b>3</b>	<b>5</b>

### Overview of director skills and expertise

Skills and expertise	Number (persons)	Percent (%)
1. Economics	3	27.27
2. Information & Communication Technology	1	9.09
3. Law	1	9.09
4. Marketing	3	27.27
5. Accounting	5	45.45
6. Finance	3	27.27
7. Human Resource Management	5	45.45
8. IT Management	2	18.18

Skills and expertise	Number (persons)	Percent (%)
9. Project Management	1	9.09
10. Corporate Management	2	18.18
11. Engineering	3	27.27
12. Strategic Management	10	90.91
13. Risk Management	9	81.82
14. Public Administration	1	9.09
15. Business Administration	6	54.55

### Information about the other directors

- The chairman of the board and the highest-ranking executive : No  
are from the same person
- The chairman of the board is an independent director : Yes
- The chairman of the board and the highest-ranking executive : No  
are from the same family
- Chairman is a member of the executive board or taskforce : No
- The company appoints at least one independent director to : Yes  
determine the agenda of the board of directors' meeting

### The measures for balancing the power between the board of directors and the Management

- The measures for balancing the power between the board of : Yes  
directors and the Management
- Methods of balancing power between the board of directors : Increasing the proportion of independent directors to more than  
and Management half

#### Independent Director Qualifications and Governance Practices at DEMCO

DEMCO has established independent director qualifications that are more stringent than the minimum requirements set by the Securities and Exchange Commission and the Stock Exchange of Thailand. Once appointed as an independent director, they may be authorized by the Board of Directors to participate in decision-making regarding the operations of the company, its parent company, subsidiaries, associates, fellow subsidiaries, major shareholders, or controlling persons. Such decisions must be made collectively (Collective Decision) and will not be considered as direct involvement in the company's management.

As of 2024, independent directors constitute more than 50% of the total board members, and none have held the position for more than nine years. The Board of Directors has arranged at least one meeting exclusively for independent and non-executive directors, without the presence of executive directors or management. Additionally, the company's auditors are given the opportunity to meet with the Audit Committee in a separate session, without executive directors or management present.

Furthermore, DEMCO has clearly defined and separated the roles and responsibilities of the Chairman of the Board, the Chairman of the Executive Committee, and the Managing Director to ensure effective governance, oversight, and transparency in accordance with good corporate governance principles.

### 7.2.3 Information on the roles and duties of the board of directors

- Board charter : Yes

The Board of Directors is responsible for approving the company's vision, mission, strategy, direction, operational policies, business plan, and annual budget. It also oversees management to ensure compliance with the established policies and business plans within the legal framework, corporate objectives, company regulations, and resolutions of the Board of Directors and shareholders' meetings.

The Board prioritizes the best interests of the company and its stakeholders to ensure sustainable growth and enhance long-term shareholder value. To adapt to changing business conditions and circumstances, the Board of Directors reviews and approves

the company's vision, mission, strategy, direction, and policies annually.

The Board of Directors holds at least one meeting per year without executive directors and management to review the performance of the Board of Executive Directors and the company's management. This meeting also serves as a platform to discuss management issues or matters of interest to the Board. The results of the meeting are communicated to the Chief Executive Officer for consideration and further improvement. In 2024, the Board held one such independent meeting with non-executive directors. Additionally, the Board allows the company's auditor to meet with the Audit Committee without the presence of executive directors and management. The company has clearly defined the roles and responsibilities of the Chairman of the Board, the Chairman of the Executive Committee, and the Managing Director to ensure effective governance, transparency, and adherence to good corporate governance principles.

#### **Authority and Responsibilities for Good Governance in Demco Group**

1. The Board of Directors must perform its duties in accordance with the law, the objectives, and regulations of Demco, as well as lawful resolutions of the shareholders' meeting, with honesty, integrity, diligence, and in the best interests of Demco.
2. The Board must convene an annual general shareholders' meeting within four months after the end of Demco's fiscal year and ensure the timely distribution of meeting invitations and related documents.
3. The Board must establish a reliable accounting, financial reporting, and auditing system. It must also ensure proper document storage for future verification, maintain an effective internal control and audit system, and implement efficient risk management practices.
4. The Board must prepare financial statements at the end of each fiscal year with accuracy and completeness, reflecting the company's financial status and performance in accordance with generally accepted accounting standards. These statements must be audited by Demco's external auditor before submission to the shareholders' meeting for approval.
5. The Board must define and review Demco Group's vision, mission, policies, objectives, strategies, operational directions, investment plans, and management strategies. It must also approve the annual operational and budget plans to align with the company's main objectives while ensuring appropriate resource allocation and control.
6. The Board must establish and oversee the management team to ensure the effective and efficient execution of company policies, prioritizing shareholder interests.
7. The Board must ensure that Demco Group complies with legal and societal norms, adheres to the company's memorandum of association and regulations, and follows the resolutions of the shareholders' meeting.
8. The Board has the authority to appoint the management team to oversee business operations and determine fair compensation and benefits.
9. The Board must appoint the Chief Executive Officer (CEO) and Managing Director to oversee the company's overall operations, set appropriate remuneration and benefits, support leadership development, establish succession plans for top executives, and ensure proper human resource management.
10. The Board must conduct performance evaluations and determine disciplinary actions or rewards for the CEO and Managing Director, with such assessments made by non-executive directors.
11. The Board must implement an effective anti-corruption system to ensure management prioritizes and adheres to anti-bribery and anti-corruption measures.
12. The Board must review and approve appointments and changes of directors and/or executives in subsidiaries and joint ventures in proportion to Demco's shareholding, while ensuring governance mechanisms align with regulatory requirements.
13. The Board must determine the corporate governance structure and establish subcommittees such as the Executive Committee, Audit Committee, and Risk Management Committee. It must also define their roles, authority, and compensation.
14. The Board must develop corporate governance policies, ethical guidelines, and a code of conduct for Demco Group to ensure fairness for all stakeholders while maintaining compliance with corporate regulations.
15. The Board must appoint a Company Secretary to provide legal guidance and ensure the Board complies with relevant laws and regulations.

#### **Authorized Directors**

The authorized directors who have the authority to sign on behalf of the company are:

MR. ORAND PUIPUNTHAVONG , or MR. PHONGSAK SIRICUPTA, or MR. PAITON GUMCHAI signing jointly with DR. NARONG JENARONGS AK  
or MR. NUTTPASINT CHET-UDOMLAP, making a total of two persons, along with the company's official seal. For more details, please refer to the Board of Directors Charter on the company's website: [www.demco.co.th](http://www.demco.co.th).

Reference link for the board charter : <https://www.demco.co.th/en/corporate-governance/corporate-governance>

## 7.3 Information on subcommittees

### 7.3.1 Information on roles of subcommittees

The Board of Directors is responsible for appointing subcommittees (Board & Executive Committee) to consider and scrutinize specific tasks. In 2024, Demco has the following subcommittees:

**a. Subcommittees (Board Committee)** There are Independent Directors, Non-Executive Directors, and Executive Directors as members of the five subcommittees, namely:

- Audit Committee
- Nomination and Remuneration Committee
- Enterprise Risk Management Committee
- Investment Committee
- Corporate Governance and Sustainability Committee

**b. Executive Committee** Consists of Non-Independent Directors and senior management in the management.

The Board of Directors' Meeting No. 4/2023, held on May 12, 2023, resolved to assign the Executive Committee to oversee the operations of subsidiaries/associated companies under Demco Group to comply with the Corporate Governance Policy and the Policy on Supervision of Subsidiaries/Associated Companies, effective from January 1, 2024, onwards.

The subcommittees will hold meetings according to the criteria specified in the charter of each subcommittee and the Corporate Governance Policy, with meeting dates for each committee scheduled in advance throughout the year.

### Roles of subcommittees

Audit Committee
<p><b>Role</b></p> <ul style="list-style-type: none"><li>• Audit of financial statements and internal controls</li></ul>
<p><b>Scope of authorities, role, and duties</b></p> <p>The Board of Directors has established an Audit Committee composed of independent directors. The Audit Committee is responsible for overseeing the Company's operations, reviewing the effectiveness of internal control to ensure that the operations of all departments are effective, comply with laws, regulations, and ethical standards. Business administration is carried out appropriately, efficiently, and with maximum effectiveness. The Audit Committee reviews and examines the Company's financial statements in conjunction with the auditors to ensure that the Company's financial statements are reliable, complete, accurate, and comply with financial reporting standards and relevant regulations. This process aims to build confidence and trust among investors and stakeholders that the Company has a comprehensive, fair, transparent, and good corporate governance oversight and operates its business under good corporate governance principles. Therefore, the Board of Directors has established the Audit Committee Charter.</p>
<p><b>Reference link for the charter</b></p> <p><a href="https://www.demco.co.th/en/corporate-governance/corporate-governance">https://www.demco.co.th/en/corporate-governance/corporate-governance</a></p>

## Nomination and Remuneration Consideration Committee

### Role

- Director and executive nomination
- Remuneration

### Scope of authorities, role, and duties

The Nomination and Remuneration Committee, established by the Company's Board of Directors, aims to promote and support DEMCO's

operations in accordance with good corporate governance principles for listed companies. Its main objectives and goals are to recruit and develop directors and senior executives, ensuring they possess the knowledge, skills, experience, and attributes necessary to drive the organization towards its goals. This includes having an appropriate number, composition, and proportion of directors, a transparent and clear selection process, and a structure and remuneration rate that is commensurate with responsibilities and incentivizes the company's directors and senior executives to lead the DEMCO Group to achieve both short-term and long-term goals.

### Reference link for the charter

<https://www.demco.co.th/en/corporate-governance/corporate-governance>

## Corporate Risk Management Committee

### Role

- Risk management

### Scope of authorities, role, and duties

The Corporate Risk Management Committee (CRMC) was established by a resolution of the Board of Directors, comprising at least three independent directors, non-executive directors, and executive directors. The scope of duties and responsibilities has been defined to be appropriate and consistent with the Company's mission. The Board of Directors recognizes the importance of developing a risk management system as an internal process, which is considered one of the essential tools for the Company's management. The Corporate Risk Management Committee will provide support and act on behalf of the Board of Directors, based on the principles of Good Corporate Governance. It will be linked to the vision, mission, and objectives of the organization and will have a framework for managing corporate risk in accordance with the COSO Enterprise Risk Management Framework (COSO ERM). It

will also promote and support risk management throughout the Company and instill it as part of DEMCO's culture. This is to provide DEMCO's stakeholders with reasonable assurance that DEMCO's operations are directed towards achieving the Company's objectives and goals effectively and efficiently. Additionally, it ensures that senior management and department heads comply with risk management policies, strategies, and acceptable risk levels. The CRMC also provides opinions or participates in evaluating the performance and effectiveness of the Chief Risk Officer.

### Reference link for the charter

<https://www.demco.co.th/en/corporate-governance/corporate-governance>

## Investment Committee

### Role

- Others
  - DEMCO Group's Investment Policy, Liquidity Management, and Funding Sources

### Scope of authorities, role, and duties

The Investment Committee is responsible for establishing investment policies and strategies, liquidity management policies, and capital allocation policies. It sets the framework for investment, liquidity management, and capital allocation for the DEMCO Group. The committee also reviews the annual budget and operating plan, oversees and monitors investments, liquidity management, budget, and operating plan. It also reviews and adjusts strategies, policy frameworks, and action plans for investment, liquidity management, budget, and capital allocation of the DEMCO Group to suit the circumstances. The Investment Committee proposes policy

framework changes to the Board of Directors for consideration and prepares the Investment Committee's report to be disclosed in the company's annual report, in accordance with the criteria set by the Stock Exchange of Thailand.

### Reference link for the charter

<https://www.demco.co.th/en/corporate-governance/corporate-governance>

## Corporate Governance and Sustainability Committee

### Role

- Corporate governance
- Sustainability development
- Climate-related risks and opportunities governance

### Scope of authorities, role, and duties

The Corporate Governance Committee is responsible for establishing and overseeing the process of driving the business towards sustainability at the organizational level. To ensure that the implementation of DEMCO Group's policy directions and business strategies integrates a sustainability framework and addresses material sustainability issues with a clear path towards sustainable development, personnel at all levels, from the Board of Directors and management to employees, are involved in leading the business to "Grow Together with Pride and Sustainability." This commitment to sustainable growth assures stakeholders that DEMCO Group operates on a foundation of integrated GRC (Governance, Risk and Compliance), enabling the company to maintain its competitive edge, develop its potential for growth, and adapt to the changing business environment.

### Reference link for the charter

<https://www.demco.co.th/en/corporate-governance/corporate-governance>

## 7.3.2 Information on each subcommittee

### List of audit committee

The Company's Board of Directors has appointed the Audit Committee in accordance with the Securities and Exchange Act, which consists of at least 3 independent directors and at least 1 person must have knowledge of accounting and finance. The appointed directors are fully qualified as required.

List of directors	Position	Appointment date of audit committee member	Skills and expertise
1. Mr. PRIN BHOLNIVAS <sup>(*)</sup> Gender: Male Age : 68 years Highest level of education : Master's degree Study field of the highest level of education : Accounting Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : Yes	Chairman of the audit committee (Non-executive directors, Independent director)  Director type : Existing director	27 Feb 2023	Accounting, Corporate Management, Risk Management, Human Resource Management, Strategic Management
2. Mr. BUNDIT AOWSATHAPORN Gender: Male Age : 54 years Highest level of education : Doctoral degree Study field of the highest level of education : Doctor of Education in Educational Administration Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : No	Member of the audit committee (Non-executive directors, Independent director)  Director type : Newly appointed director to replace the ex-director	27 Apr 2023	Business Administration, Law, Human Resource Management, Risk Management, Strategic Management
3. Mr. MANOON MANUSOOK <sup>(*)</sup> Gender: Male Age : 55 years Highest level of education : Master's degree Study field of the highest level of education : Finance Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : Yes	Member of the audit committee (Non-executive directors, Independent director)  Director type : Newly appointed director to replace the ex-director	28 Sep 2023	Business Administration, Human Resource Management, Finance, Accounting, IT Management

Additional explanation :

(\*) Directors with expertise in accounting information review

## List of executive committee members

The Executive Committee is a subcommittee authorized by the Board of Directors to act on behalf of the Board in the execution of business operations that exceed the authority of the management. This delegation of authority allows for swift action in matters that require immediate attention to keep pace with business operations. The Executive Committee also acts as a filtering body, reviewing various matters from management before they are presented to the Board of Directors and other Board Committees for consideration. Therefore, the Executive Committee is responsible for managing certain routine tasks as well.

List of directors	Position	Appointment date of executive committee member
1. Mr. PHONGSAK SIRICUPTA Gender: Male Age : 66 years Highest level of education : Master's degree Study field of the highest level of education : Economic Development, Institute of Development Administration (NIDA) Thai nationality : Yes Residence in Thailand : Yes	The chairman of the executive committee	12 Apr 2011
2. Mr. PAITON GUMCHAI Gender: Male Age : 62 years Highest level of education : Master's degree Study field of the highest level of education : Finance Thai nationality : Yes Residence in Thailand : Yes	Member of the executive committee	12 Apr 2011
3. Ms. Ratchaneevipa Puipunthavong Gender: Female Age : 52 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes	Member of the executive committee	14 May 2019
4. Mr. Prasitchai Veerayutwilai Gender: Male Age : 63 years Highest level of education : Doctoral degree Study field of the highest level of education : Information Technology Thai nationality : Yes Residence in Thailand : Yes	Member of the executive committee	22 Aug 2022

### Other Subcommittees

Subcommittee name	Name list	Position
Nomination and Remuneration Consideration Committee	Mr. AMNUAYCHAI SUWANSOONTORN	The chairman of the subcommittee (Independent director)
	Mr. PRIN BHOLNIVAS	Member of the subcommittee (Independent director)
	Mr. ORAND PUIPUNTHAVONG	Member of the subcommittee



Subcommittee name	Name list	Position
Corporate Risk Management Committee	Mr. NUTTPASINT CHET-UDOMLAP	The chairman of the subcommittee
	Mr. NARONG JENNARONGSAK	Member of the subcommittee
	Mr. PHONGSAK SIRICUPTA	Member of the subcommittee
	Mr. PAITON GUMCHAI	Member of the subcommittee
	Mr. SOMPONG PONGSAKULRANGSRI	Member of the subcommittee (Independent director)
	Mr. MANOON MANUSOOK	Member of the subcommittee (Independent director)
Investment Committee	Mr. ORAND PUIPUNTHAVONG	The chairman of the subcommittee
	Mr. PRIN BHOLNIVAS	Member of the subcommittee (Independent director)
	Mr. SOMPONG PONGSAKULRANGSRI	Member of the subcommittee (Independent director)
	Mr. NUTTPASINT CHET-UDOMLAP	Member of the subcommittee
	Mr. PHONGSAK SIRICUPTA	Member of the subcommittee
	Mr. PAITON GUMCHAI	Member of the subcommittee
Corporate Governance and Sustainability Committee	Mr. MANOON MANUSOOK	The chairman of the subcommittee (Independent director)
	Mr. AMNUAYCHAI SUWANSOONTORN	Member of the subcommittee (Independent director)
	Mr. BUNDIT AOWSATHAPORN	Member of the subcommittee (Independent director)
	Mr. NARONG JENNARONGSAK	Member of the subcommittee
	Mr. PHONGSAK SIRICUPTA	Member of the subcommittee

## **7.4 Information on the executives**

### **7.4.1 List and positions of the executive**

List of DMC executives as defined in the Capital Market Supervisory Board's Notification No. TorJor. 23/2551 of the Securities and Exchange Commission (SEC), which refers to the managing director or the top four executives below the managing director, all persons holding positions equivalent to the fourth executive level, and includes executives in the accounting and finance line at the department manager level or equivalent.

#### **List of the highest-ranking executive and the next four executives**

List of executives	Position	First appointment date	Skills and expertise
<p>1. Mr. PHONGSAK SIRICUPTA</p> <p>Gender: Male</p> <p>Age : 66 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Economic Development, Institute of Development Administration (NIDA)</p> <p>Thai nationality : Yes</p> <p>Residing in Thailand : Yes</p> <p>Highest responsibility in corporate accounting and finance : No</p> <p>Accounting supervisor : No</p>	<p>Chief Executive Officer and Managing Director</p> <p>(The highest-ranking executive)</p>	12 Apr 2011	<p>Economics, Marketing, Engineering, Risk Management, Strategic Management</p>
<p>2. Mr. PAITON GUMCHAI<sup>(*)</sup></p> <p>Gender: Male</p> <p>Age : 62 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Finance</p> <p>Thai nationality : Yes</p> <p>Residing in Thailand : Yes</p> <p>Highest responsibility in corporate accounting and finance : Yes</p> <p>Accounting supervisor : No</p>	<p>Chief Support Officer</p>	29 Apr 2013	<p>Finance, Human Resource Management, Corporate Management, Risk Management, Strategic Management</p>
<p>3. Ms. Ratchaneevipa Puipunthavong</p> <p>Gender: Female</p> <p>Age : 52 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Business Administration</p> <p>Thai nationality : Yes</p> <p>Residing in Thailand : Yes</p> <p>Highest responsibility in corporate accounting and finance : No</p> <p>Accounting supervisor : No</p>	<p>Chief Strategy and Business Development Officer</p>	23 Jul 2019	<p>Strategic Management, Risk Management</p>

List of executives	Position	First appointment date	Skills and expertise
<p>4. Mr. Prasitchai Veerayuttwilai</p> <p>Gender: Male</p> <p>Age : 63 years</p> <p>Highest level of education : Doctoral degree</p> <p>Study field of the highest level of education : Information Technology</p> <p>Thai nationality : Yes</p> <p>Residing in Thailand : Yes</p> <p>Highest responsibility in corporate accounting and finance : No</p> <p>Accounting supervisor : No</p>	Chief Innovation, Engineering, and Operations Officer	23 Aug 2022	Business Administration, Information & Communication Technology, Marketing, IT Management, Change Management
<p>5. Mr. CHATCHAI PUSHPAN</p> <p>Gender: Male</p> <p>Age : 60 years</p> <p>Highest level of education : Bachelor's degree</p> <p>Study field of the highest level of education : Engineering</p> <p>Thai nationality : Yes</p> <p>Residing in Thailand : Yes</p> <p>Highest responsibility in corporate accounting and finance : No</p> <p>Accounting supervisor : No</p>	Deputy Managing Director, Information Technology and Support Group	1 Jun 2016	Design, IT Management, Engineering
<p>6. Mr. NARIN EAKNIPITASARI</p> <p>Gender: Male</p> <p>Age : 58 years</p> <p>Highest level of education : Bachelor's degree</p> <p>Study field of the highest level of education : Engineering</p> <p>Thai nationality : Yes</p> <p>Residing in Thailand : Yes</p> <p>Highest responsibility in corporate accounting and finance : No</p> <p>Accounting supervisor : No</p>	Deputy Managing Director, Engineering Group 2	13 Jun 2019	Engineering
<p>7. Ms. WONRUEDEE SUVAPAN</p> <p>Gender: Female</p> <p>Age : 55 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Business Administration</p> <p>Thai nationality : Yes</p> <p>Residing in Thailand : Yes</p> <p>Highest responsibility in corporate accounting and finance : No</p> <p>Accounting supervisor : No</p>	Deputy Managing Director, Audit Office	1 Jul 2020	Internal Control, Governance/ Compliance, Business Administration

List of executives	Position	First appointment date	Skills and expertise
8. Mr. SUCHART KOKHUNAKON Gender: Male Age : 59 years Highest level of education : Bachelor's degree Study field of the highest level of education : Engineering Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	Executive Vice President of Engineering	12 Aug 2023	Engineering

Additional Explanation :

(\*) Highest responsibility in corporate accounting and finance

(\*\*) Accounting supervisor

(\*\*\*) Appointed after the fiscal year end of the reporting year

## 7.4.2 Remuneration policy for executive directors and executives

### Policy defines the company's compensation structure

The company's compensation policy aims to reward the success of the business in accordance with the company's strategy, and reward the work that executives and employees have created for the company As assigned by the Board of Directors The Remuneration and Nomination Committee reviews and approves the executive and employee compensation policy annually. The compensation management system will consider the following aspects:

#### **Compensation management by considering work performance**

- Executive and employee compensation will be directly proportional to the achievement of the company's strategic goals (Corporate Performance).
- Performance evaluations will be based on performance indicators. Both financial and other indicators

#### **Compensation management in line with shareholder expectations**

- Selecting a performance measurement process that is appropriate to the company's operational plan, both in the short and long term, to align with the company's strategy and continuously create sustainable value for shareholders
- Ensuring that the established performance indicators are appropriate to the company's operational capabilities, the company's goals, and higher levels of performance.
- Creating stable and systematic fundraising to ensure the company's investment capabilities

#### **Compensation management to be competitive**

- Compensation management to be competitive in related business groups to ensure that the company can attract and retain good, qualified employees to work and continue to create results for the company.
- Significantly linking the proportion between compensation and performance For both annual and long-term returns

### Company's compensation structure

Types of compensation paid to executives and employees upon approval by the Board of Directors, consisting of

#### **1. Direct Compensation**

- 1.1 Salary
- 1.2 Wage
- 1.3 Bonus
- 1.4 Incentive Pay
- 1.5 Deferred Pay

#### **2. Indirect compensation**

- 2.1 Welfare
- 2.2 Benefit/ Perquisite

## 2.3 Personal Right

Compensation paid to executives, management and employees upon approval by the Board of Directors will consist of two components:

- **Fixed compensation and benefits**

**Salary**

The level of compensation received is in accordance with the responsibilities of the position, experience and individual expertise. which is paid in cash into the account every month It will be reviewed annually. From considering performance and salary increases in the labor market

**Other benefits and special benefits**

The main objective of providing other benefits and special benefits is to create security for employees. and help in case of elderly employees, health problems, disability or death by the Provident Fund and health insurance and various welfare In line with labor market practices and as required by law.

- **Performance-based compensation**

**Performance bonus**

It is a variable reward based on the success of the work in the short term. When compared to the annual plan set Compared to compensation in the labor market in related businesses, this performance bonus will be partly fixed. And another part will be linked to the annual Key Performance Indicator (KPI), which is the sum of various metrics. and weighted according to the importance of each factor This is an assessment of the overall performance of the company. and of individual employees Including bonuses to be received

- **Cash compensation**

Special cash compensation in addition to performance bonuses This special compensation is a driving force for the performance that is the foundation of the company (Core Business) by adhering to the principle of the total economic value of the company. which is a mutual benefit between executives and shareholders Part of the special cash compensation will be paid out in cash. which is considered a positive value in the current year The remaining rewards will be carried over to the accumulation account. However, this accumulated reward money is subject to a performance-linked recall rule. and may decrease in value if the performance does not meet the targets set for that year.

- **Share-based compensation**

Shareholding focuses on long-term compensation. to encourage executives to create sustainable growth for the company Create value for shareholders It also supports a culture of ownership. and maintain Which are valuable employees of the company Paying performance-based employee compensation (Share Based Payment) or paying contributions to purchase company shares is a way of showing appreciation to employees and creating morale. Motivation for dedication to work that contributes greatly to the prosperity and success of the company.

**Executive Compensation Management policy**

The Executive Compensation Management Policy aims to motivate executives. Manage the business in accordance with the objectives, goals, strategies and in line with the long-term interests of the company. by varying directly with the achievement of the company's strategic goals (Corporate Performance)

Executive under this policy means

1. Chief Executive Officer (CEO)
2. Managing Director : President
3. Senior Executive Vice President/First Senior Executive Vice President (SEVP/FSEVP)
4. Executive Vice President/First Executive Vice President (EVP/FEVP)
5. Executives at the SEVP and EVP levels who hold positions equivalent to Deputy Managing Director, Assistant Managing Director, or those holding equivalent positions called by other names.
6. Executives at the FSVP/SVP level who are responsible for or assisting in any management similar to executives and to include persons on the Executive Committee

This covers executives under fixed-term and indefinite employment contracts by the Board of Directors. Determines the executive compensation policy as follows: **1. Compensation Management**

Consider the appropriateness of the proportion of salary compensation, short-term performance and long-term

performance. It varies according to the ability to manage the business to achieve the goals. The company's business strategy According to the criteria and factors in the performance appraisal for the whole organization that have been agreed upon as follows

1.1 Establish an appropriate executive performance measurement process. Consistent with the company's operational plan both in the short and long term It is linked to the company's business strategy. and continuously create sustainable value for the company

1.2 Setting performance indicators for executive performance must ensure that they are appropriate. Consistent with the company's business capabilities These goals must be goals that demonstrate progress in the company's business.

1.3 Executive performance evaluations will be based on performance indicators. Both financial indicators, such as earnings before interest, taxes, depreciation, and amortization (EBITDA), results from long-term assembly, such as stock market value and other indicators such as responding to the policies of the Board of Directors, new business development, risk management and implementation of policies for sustainable development (Environmental Social and Governance: ESG), etc.

## **2. Compensation Payment**

Considering the factors in the performance appraisal The structure of executive compensation To be competitive at a comparable level For similar or similar business groups, industries

To ensure that the company can attract and retain good and qualified executives to work and continue to create results for the company. with the ability to link the proportion between compensation and significant performance For both annual and long-term returns, the structure of executive compensation has been set as follows: It will consist of two components:

### **1. Compensation paid as salary, wages, welfare and fixed benefits** Consists of

#### **1.1 Salary**

The level of compensation received is in accordance with the responsibilities of the position, experience and individual expertise. which is paid in cash into the account every month It will be reviewed annually. From performance, inflation and wage changes in the labor market

#### **1.2 Wage**

Paid to executives and employees to support operations or as required by law, including per diem for both domestic and international operations, hardship allowance, overtime pay, or holidays, etc.

#### **1.3 Welfare**

These include life insurance, health insurance, annual health checks, provident fund contributions, paid vacation entitlement, social security contributions and other benefits. This is in accordance with the law. regulations and practices that have been established

#### **1.4 Benefit / Perquisite**

These are the benefits paid to the Chief Executive Officer (CEO), Managing Director, and executives on a regular basis. for the purpose of supporting business administration According to the position, such as monthly entertainment expenses, house rent, vehicle allowance, position allowance, professional fee, etc. This is in accordance with the law. regulations and practices that have been established

### **2. Compensation linked to performance and company performance**

#### **2.1 Bonus**

These include compensation that the Board of Directors has allocated to employees. by considering the operating results of the company each year Determining the amount of bonus each year, whether or not, how much depends on the operating results of that year. As for the allocation of bonuses to executives, it must be considered from the performance evaluation of each individual executive (Performance Bonus), which will be different from the allocation of bonuses to other groups of employees who may have both fixed bonuses (Fixed Bonus) and Performance Bonus (Performance Bonus) as well.

#### **2.2 Incentive Pay**

These include compensation that the Board of Directors has set. It is a reward paid for the performance of employees. Specifically, from time to time, such as revenue sharing, fees, commissions, profit sharing, etc. The allocation of this compensation shall be in accordance with the criteria, terms and conditions approved by the Board of Directors.

#### **2.3 Deferred Pay**

These include compensation set by the Board of Directors. to reward the Chief Executive Officer (CEO), Managing Director, and executives From the performance of executives and the performance of the company with the objective of motivating the Chief Executive Officer (CEO), Managing Director, and executives to manage the company in the long run The Board of Directors will allocate or waive the allocation of annual compensation. The Chief Executive Officer (CEO), Managing Director, and executives will receive upon fulfilling the conditions set by the Board of Directors.

### 2.3.1. Cash Deferred Pay

It is the money that the Board of Directors allocates from the company's net profit for the fiscal year (EBITDA) to be divided among the Chief Executive Officer (CEO), Managing Director, and executives. Compensation for management in the past year (Profit Sharing) but will not be received until retirement or the expiration of the specified time period. In the event that in any year the company's operating results do not meet the targets and business plans set or the Chief Executive Officer (CEO), Managing Director, and executives have mismanagement or have behaviors that are inconsistent with the culture and values of the company, the Board of Directors may not allocate this compensation, including the possibility of reclaiming some or all of the compensation previously allocated paid back to the company as well. This is in accordance with the agreements and conditions approved by the Board of Directors (Claw Back Provision).

### 2.3.2. Compensation in the form of shares or warrants of the company

It is giving importance to executives who are efficient human resources and can add value to stock prices and shareholders with creating motivation for management and retaining personnel in the company in the long term (Long Term Incentive) by using the form of an Employee Joint Investment Program (EJIP) or an Employee Stock Option Program (ESOP), subject to the Board of Directors and/or the Shareholders' Meeting. Shareholding focuses on long-term compensation to encourage executives to create sustainable growth for the company. Create value for shareholders. It also supports a culture of ownership and maintain which are valuable employees of the company. Paying performance-based employee compensation (Share Based Payment) or paying contributions to purchase company shares is a way of showing appreciation, creating morale and motivation for employees. For dedication to work that contributes greatly to the prosperity and success of the company.

Does the board of directors or the remuneration committee : Have  
have an opinion on the remuneration policy for executive  
directors and executives

The Remuneration and Compensation Committee considers and proposes appropriate executive remuneration to the Board of Directors for approval, in accordance with the Executive Remuneration Policy. Executive remuneration, including that of the Chief Executive Officer (CEO), Managing Director, and Senior Executive Vice President (SEVP), is linked to the performance of the DEMCO Group, both in the short and long term, reflecting a stable and sustainable business. This is achieved through three defined metrics: 1) Achievement of operating revenue targets, net operating profit, and development of project management and risk management processes, or Ultimate KPI; 2) Job responsibilities reflecting strategic planning capabilities, strategy implementation, financial planning and performance, and personnel development, or Performance KPI; and 3) Leadership, accountability, problem-solving and decision-making, self-development, and people management, or Individual KPI. Metrics for business stability and sustainability include economic, social, and environmental aspects, such as revenue growth, return on assets, return on equity, operating expenses to net operating revenue, customer satisfaction, greenhouse gas emission reduction, employee satisfaction, and performance compared to peers in all dimensions, such as enhancing competitiveness and conducting business sustainably in the long run.

## 7.4.3 Remuneration of executive directors and executives

### Monetary remuneration of executive directors and executives

	2022	2023	2024
Total remuneration of executive directors and executives (baht)	28,649,503.67	31,589,414.69	32,622,020.00
Total remuneration of executive directors (baht)	11,539,000.00	11,411,333.66	11,544,000.00
Total remuneration of executives (baht)	17,110,503.67	20,178,081.03	21,078,020.00

### Other remunerations of executive directors and executives



	2022	2023	2024
Employee Stock Ownership Plan (ESOP)	Yes	No	No
Employee Joint Investment Program (EJIP)	Yes	No	No

### Outstanding remuneration or benefits of executive directors and executives

Outstanding remuneration or benefits of executive directors : 0.00  
and executives in the past year

Estimated remuneration of executive directors and executives : 0.00  
in the current year

## 7.5 Information on employees

### Information on the company's employees

#### Employees

	2022	2023	2024
<b>Total employees</b> (persons)	388	383	373
Male employees (persons)	237	237	222
Female employees (persons)	151	146	151

#### Number of employees by position and department

##### Number of male employees by position

	2022	2023	2024
Total number of male employees in operational level (Persons)	205	195	189
Total number of male employees in management level (Persons)	19	24	18
Total number of male employees in executive level (Persons)	13	18	15

##### Number of female employees by position

	2022	2023	2024
Total number of female employees in operational level (Persons)	140	133	140
Total number of female employees in management level (Persons)	8	10	9
Total number of female employees in executive level (Persons)	3	3	2

#### Significant changes in the number of employees

Significant changes in number of employees over the past 3 : No  
Years

### Information on employee remuneration

#### Employee remuneration

	2022	2023	2024
<b>Total employee remuneration</b> (baht)	17,942,883.61	19,545,801.35	18,141,839.26
Total male employee remuneration (Baht)	13,159,332.05	14,539,783.90	13,038,243.98

	2022	2023	2024
Total female employee remuneration (Baht)	4,783,551.56	5,006,017.45	5,103,595.28

### Provident fund management policy

Provident fund management policy : Have

Demco has a policy of supporting the Employee Provident Fund Committee in selecting fund managers who manage investments responsibly, taking into account Environmental, Social, and Governance (ESG) factors. The policy also emphasizes using investment governance principles as a guide to achieve the best long-term benefits for fund members or employees of the company. This is because the provident fund is considered an employee retirement savings fund. Additionally, Demco encourages companies to grant employees the right to choose their savings options that align with their individual saving objectives (Employee Choice) and promotes the importance of employees joining the provident fund.

### Provident fund for employees (PVD)

	2022	2023	2024
Number of employees joining in PVD (persons)	240	265	229
Proportion of employees who are PVD members (%)	61.86	69.19	61.39
Total amount of provident fund contributed by the company (baht)	2,668,622.88	2,587,085.36	2,516,224.34

## 7.6 Other significant information

### 7.6.1 Assigned person

List of persons assigned for accounting oversight

General information	Email	Telephone number
1. Ms. Inchanan Boonkong	Inchanan_bun@demco.co.th	063-525-7314

List of the company secretary

General information	Email	Telephone number
1. Ms. WONRUEDEE SUVAPAN	Wonruedee@demco.co.th	081-933-8342

List of the head of internal audit or outsourced internal auditor

General information	Email	Telephone number
1. Ms. Boonyaluck chompao	Boonyaluck_cho@demco.co.th	063-525-7325

List of the head of the compliance unit

General information	Email	Telephone number
1. Ms. WONRUEDEE SUVAPAN	Wonruedee@demco.co.th	081-933-8342

### 7.6.2 Head of investor relations

Does the Company have an appointed head of investor : Yes  
relations

List of the head of investor relations

General information	Email	Telephone number
1. Ms. Ratchaneevipa Puipunthavong	Ratchaneevipa@demco.co.th	062-674-6996

### 7.6.3 Company's auditor

Details of the company's auditor

Audit firms	Audit fee (Baht)	Other service fees	Names and general information of auditors
A.M.T. & ASSOCIATES 491/27 SILOM PLAZA, SILOM ROAD BANG RAK Bangkok 10500 Telephone +66 2234 1676	1,500,000.00	<p>Types of non-audit service: Non Audit Fee</p> <p>Details of non-audit service: Transportation expenses for work, overtime pay, accommodation costs, employee allowances, postal fees, photocopying expenses, additional financial statement preparation costs, etc. The office will charge based on actual expenses.</p> <p>Amount paid during the fiscal year: N/A baht Amount to be paid in the future: N/A baht Total non-audit fee: 275,825.00 baht</p>	<p>1. Mrs. NATSARAK SAROCHANUNJEEN Email: mailboxs@amtasso.com Telephone: 02-234-2132 License number: 4563</p> <p>2. Ms. JARUNEE NUAMMAE Email: mailboxs@amtasso.com Telephone: 02-234-2132 License number: 5596</p> <p>3. Ms. DARANEE SOMKAMNERD Email: mailboxs@amtasso.com Telephone: 02-234-2132 License number: 5007</p> <p>4. Mr. SIRAMATE AKKHARACHOTKULLANUN Email: mailboxs@amtasso.com Telephone: 02-234-2132 License number: 11821</p>

#### Details of the auditors of the subsidiaries

Audit fee (Baht)	Other service fees
370,000.00	<p>Types of non-audit service: Service fee</p> <p>Details of non-audit service: Allowances, transportation expenses, and other costs.</p> <p>Amount paid during the fiscal year: N/A baht Amount to be paid in the future: N/A baht Total non-audit fee: 18,500.00 baht</p>

#### 7.6.4 Assigned personnel in case of a foreign company

Does the company have any individual assigned to be : No  
representatives in Thailand

## 8. Report on key operating results on corporate governance

### 8.1 Summary of duty performance of the board of directors over the past year

The success of good corporate governance can be measured by the organization's ability to generate satisfactory growth and returns, as well as its ability to navigate through events that affect business operations smoothly, including helping to create and preserve the value of the organization in the long run. Good corporate governance requires the cooperation of all parties, starting from the Board of Directors, executives, and all employees. Good corporate governance of the Demco Group, therefore, consists of

- Clarity in corporate governance through the establishment of policies, communication, and monitoring of management's performance. There is a development of a corporate governance system, appropriate practices, consistency with the business plan, and compliance with the principles of good corporate governance for listed companies 2017 (CG Code 2017).
- Consulting with management in establishing guidelines for policies, ethics, and code of conduct in conducting business, and monitoring compliance with policies and corporate governance practices that are consistent with both short-term and long-term business strategies.
- Emphasizing and discussing with management to ensure that management understands that effective execution in accordance with good corporate governance principles will lead to improved organizational performance and is not just about creating an organizational culture.
- Understanding and accessing, in the event of an incident that could severely damage the organization or disrupt business operations, such as the Coronavirus Disease 2019 (COVID-19) crisis, the Board of Directors and management will create and preserve the value of the organization by establishing roles, responsibilities, and accountability that encompass good corporate governance throughout the organization appropriately and sufficiently for the sustainability of the Demco Group.

#### 8.1.1 Selection, development and evaluation of duty performance of the board of directors

##### Information about the selection of the board of directors

##### List of directors whose terms have ended and have been reappointed

List of directors	Position	First appointment date of director	Skills and expertise
Mr. NUMCHAI LOWATTANATAKUL	Chairman of the board of directors (Non-executive directors, Independent director)	14 Feb 2023	Business Administration, Engineering, Strategic Management, Risk Management, Accounting
Mr. PRIN BHOLNIVAS	Director (Non-executive directors, Independent director)	27 Apr 2018	Accounting, Corporate Management, Risk Management, Human Resource Management, Strategic Management
Mr. MANOON MANUSOOK	Director (Non-executive directors, Independent director)	28 Sep 2023	Business Administration, Human Resource Management, Finance, Accounting, IT Management

##### Selection of independent directors

##### Criteria for selecting independent directors

### **Recruitment of Directors and Senior Management**

The Nomination and Remuneration Committee is responsible for establishing policies, criteria, and procedures for the recruitment of directors and management, as well as selecting and nominating qualified individuals to serve as directors of the company, directors on Board Committees, management, and advisors of the company. This includes overseeing and setting policies for the recruitment of directors and management of companies within the company's group. In recruiting directors, the company has established criteria for consideration without discrimination or exclusion based on gender, nationality, ethnicity, religion, or marital status. The company has also defined a Board Skill Matrix that is comprehensive and aligned with the business direction of the group, to be used as a criterion for evaluation and recruitment.

### **Recruitment of Directors to Replace Retiring Directors**

As a certain number of directors of the company must retire by rotation at the Annual General Meeting of Shareholders, it is necessary to consider and recruit suitable individuals to fill the vacant positions. The Nomination and Remuneration Committee has established the following procedures for the recruitment of directors, which are proposed to the Board of Directors and the Annual General Meeting of Shareholders for consideration:

1. The company provides an opportunity for shareholders to nominate individuals for consideration as directors of the company at the Annual General Meeting of Shareholders, from October 1st to December 30th of every year. Shareholders are informed through the Stock Exchange of Thailand's information disclosure channels and on Demco's website. In the 2023 Annual General Meeting, no shareholders nominated individuals for the company to consider for directorship.
2. The Nomination and Remuneration Committee acknowledges the list of retiring directors and considers recruiting external individuals to be nominated for directorship, both from the existing Board of Directors and shareholders.
3. The Nomination and Remuneration Committee considers and selects suitable individuals to be directors of the company from the list of nominees. Those who will be appointed as directors of the company must meet the qualifications and not have any prohibited characteristics as prescribed by law and the company's Articles of Association.
4. The Nomination and Remuneration Committee selected and proposed the names of qualified individuals to be directors of the company, replacing the retiring directors, to the Board of Directors' meeting for consideration and further submission to the 2023 Annual General Meeting of Shareholders for approval.

### **Independent Directors**

Comprising all Independent Directors of Demco, they play a role in overseeing the interests of Demco as a whole, ensuring that all shareholders receive equal benefits, including balancing the Board of Directors and management, and protecting the rights of shareholders. This is achieved by providing suggestions and expressing independent, transparent opinions without any conflict of interest, to enhance the effectiveness and efficiency of the Board of Directors. The Independent Directors have the following duties and responsibilities:

1. Express opinions, make observations, or raise questions at the Board of Directors' meetings without being influenced by any party, ensuring that all decisions are made independently and in the best interests of the company, without prejudice to the rights of shareholders, especially minority shareholders and other stakeholders. In the event that an Independent Director disagrees with the meeting or has any other observations, such dissent or observations shall be recorded in the minutes of the meeting. If an Independent Director is unable to attend the meeting and disagrees with any agenda item, he/she may submit his/her objection in writing to the Chairman of the Board within 3 days from the end of the meeting.
2. Provide advice or opinions on important matters within the authority of the Board of Directors, such as large investments, borrowing policies, and information technology.
3. Propose agenda items if deemed that there are important matters that the Board should consider and have not yet been included in the meeting agenda.
4. Perform other duties as assigned by the Board of Directors and be responsible for specific tasks that must be carried out by Independent Directors.

### **Qualifications of Independent Directors**

The qualifications for Independent Directors of Demco are more stringent than the requirements of the Stock Exchange of Thailand. Independent Directors of Demco must possess the following qualifications:

1. Hold not more than 0.5% of the total voting shares of the company, its parent company, subsidiaries, affiliates, major shareholders, or persons with control of the company. This includes the shareholding of persons related to such Independent Director.
2. Not be or have ever been an executive, employee, salaried consultant, or person with control of the company, its

subsidiaries, affiliates, major shareholders, or persons with control of the company, unless such status has ceased for at least 2 years. This disqualification does not include cases where the Independent Director was previously a government official or advisor to a government agency that is a major shareholder or person with control of the company.

3. Not be a person who has a blood relationship or is related by marriage, such as being a father, mother, spouse, sibling, or child of an executive, major shareholder, person with control, or a person nominated to be an executive or person with control of the company or its subsidiaries.

4. Have no or have never had a business relationship with the company, its subsidiaries, affiliates, major shareholders, or persons with control of the company, in a manner that may hinder their independent judgment. Also, not be or have ever been a significant shareholder or person with control of a person who has a business relationship with the company, its subsidiaries, affiliates, major shareholders, or persons with control of the parent company, unless such status has ceased for at least 2 years. The business relationship as mentioned in paragraph one includes regular commercial transactions for business operations, leasing or renting of real estate, transactions related to assets or services, or the provision or receipt of financial assistance, including borrowing or lending, guarantees, providing assets as collateral for debts, and other similar acts, which result in the applicant or the counterparty having an outstanding debt payable to the other party of at least 3% of the applicant's net tangible assets or at least twenty million baht, whichever is lower. The calculation of such debt shall be in accordance with the method for calculating the value of connected transactions as prescribed in the Notification of the Capital Market Supervisory Board Re: Rules on Connected Transactions, *mutatis mutandis*. However, in considering such debt, the debt incurred during the 1 year period prior to the date of having a business relationship with the same person shall be included.

5. Not be or have ever been an auditor of the parent company, subsidiaries, affiliates, major shareholders, or persons with control of the company, and not be a significant shareholder (holding more than 10% of the total voting shares of the company, including related parties), person with control, or partner of an audit firm that has an auditor of the company, subsidiaries, affiliates, major shareholders, or persons with control of the company as a member, unless such status has ceased for at least 2 years.

6. Not be or have ever been a provider of any professional services, including financial advisory services, that receives service fees exceeding two million baht per year from the company, subsidiaries, affiliates, major shareholders, or persons with control of the company, and not be a significant shareholder, person with control, or partner of such professional service provider, unless such status has ceased for at least 2 years.

7. Not be a director appointed to represent the directors of the company, major shareholders, or shareholders related to major shareholders.

8. Not engage in a business that is identical and materially competes with the business of the company or its subsidiaries, or be a significant partner in a partnership, or be an executive, employee, salaried consultant, or hold more than 1% of the total voting shares of another company that engages in a business that is identical and materially competes with the business of the company or its subsidiaries.

9. Have no other characteristics that would prevent them from providing independent opinions regarding the company's operations.

After being appointed as an Independent Director of the company, the Independent Director may be authorized by the Board of Directors to make decisions in the business operations of the company, its parent company, subsidiaries, affiliates, major shareholders, or persons with control of the company. These decisions may be made through a Collective Decision process, and it shall not be deemed that the Independent Director is a director involved in management.

In 2023, the number of Independent Directors of the company is more than 50% of the total number of directors, and no one has held the position for more than 9 years.

## Business or professional relationships of independent directors over the past year

Business or professional relationships of independent : No  
directors over the past year

## Selection of directors and the highest-ranking executive

### Recruitment of Chief Executive Officer and Senior Executives

To ensure business continuity, the company has a policy to oversee the Succession Plan. This plan prepares for the succession of high-level executives such as the Chief Executive Officer, Managing Director, Deputy Managing Director, Assistant Managing Director, and Department Manager. This ensures that personnel planning for key and critical positions can prevent, mitigate, or



inhibit risks related to succession management as follows:

- 1. Risk of vacancy in senior management positions that have a severe impact on the company.
- 2. Risk of having low-potential executives and supervisors.
- 3. Risk of assigning tasks that affect business goals to high-potential executives and supervisors who do not possess the appropriate skills and abilities.
- 4. Risk of new high-potential executives and supervisors not being accepted by the company.

The company has established a policy for the recruitment or selection of personnel who can replace personnel in at-risk positions. This includes criteria for recruitment, selection, and transfer in advance. It also includes seeking input factors or personnel with development potential to meet core competencies and essential skills. This development aligns with the vision, mission, strategic plan, and corporate values in the future.

Method for selecting directors and the highest-ranking executive

Method for selecting persons to be appointed as : Yes  
directors through the nomination committee  
Method for selecting persons to be appointed as the : Yes  
highest-ranking executive through the nomination  
committee

Number of directors from major shareholders

Number of directors from each group of major : 0  
shareholders over the past year (persons)

Rights of minority shareholders on director appointment

The Company has provided an opportunity for shareholders to nominate individuals for consideration as directors of the Company at the Annual General Meeting of Shareholders, from 1 October to 30 December of each year, by notifying all shareholders through the information disclosure channels of the Stock Exchange of Thailand and DEMCO's website. In the 2024 Annual General Meeting, no shareholders nominated any person for the Company to consider for directorship.

Method of director appointment : Method whereby each director requires approval votes more than half of the votes of attending shareholders and casting votes

Setting qualifications for the selection of directors

The qualifications and duties of independent directors and executive directors shall be in accordance with the Policy Statement on Code of Best Practices of Directors of Listed Companies (BCG/R 26-00) and independent directors shall hold no more than 0.5 percent of the total voting shares of DEMCO, including the shareholding of their related persons.

Details of qualifications for the selection of directors

Qualifications, knowledge, or experience	Skill and expertise
--	---------------------

Qualifications, knowledge, or experience	Skill and expertise
<p>1) Possess appropriate qualifications and no prohibited characteristics as stipulated by the Public Limited Companies Act, the Securities and Exchange Act, and the company's good corporate governance principles. Additionally, they must exhibit no traits that indicate a lack of suitability to be entrusted with the management of a company with public shareholders, as determined and announced by the Securities and Exchange Commission.</p> <p>2) Possess knowledge, abilities, and experience beneficial to the company's operations. They must demonstrate independence, diligence, and act with integrity in fulfilling their duties as directors (Duty of Care and Duty of Loyalty).</p> <p>3) Directors are prohibited from engaging in activities that are identical or competitive with Demco's business operations unless prior disclosure is made to the shareholders' meeting before a resolution is passed for their appointment.</p> <p>4) Directors are obligated to inform Demco without delay if they have any interests, whether directly or indirectly, in contracts entered into by Demco, or if they increase or decrease their holdings of shares or debentures within the Demco Group.</p>	Economics, Marketing, Accounting, Finance, Engineering

## Information on the development of directors

### Development of directors over the past year

DEMCO mandates an orientation document for new directors to provide them with useful information for their roles, including an introduction to DEMCO's business nature and operational approaches. The company has a policy to support directors in attending training courses from the Thai Institute of Directors Association (IOD) to develop, support, and enhance the Board of Directors' performance.

#### Development of DEMCO's Board of Directors and Senior Executives

DEMCO has a policy to promote each director's knowledge and understanding of their roles, responsibilities, the nature of the business, and laws related to business operations. The company also supports all directors in receiving regular skill and knowledge enhancement for their duties.

Newly appointed directors will receive an orientation and helpful information for performing their duties, including understanding DEMCO's objectives, key goals, vision, mission, corporate values, business nature, and operational approaches. Furthermore, directors will receive continuous training and development on necessary knowledge. They must also understand the laws, regulations, standards, risks, and environments related to business operations and receive regular updates.

For the development of senior executives and personnel management to ensure business continuity, the Board of Directors is responsible for overseeing the Succession Plan. This plan prepares for the succession of Managing Director and senior executive positions. It also promotes and supports senior executives in receiving training and development to gain the knowledge, skills, experience, and qualities necessary to drive the organization towards its goals.

## Details of the development of directors over the past year

List of directors	Participation in training in the past financial year	History of training participation
1. Mr. NUMCHAI LOWATTANATAKUL Chairman of the board of directors	Non-participating	-
2. Mr. PRIN BHOLNIVAS Director	Participating	Other <ul style="list-style-type: none"> <li>• 2024: Emerging Audit Standards and Implications for the Audit Committee</li> <li>• 2024: Enhancing Governance, Standards, and Financial Insights</li> <li>• 2024: TFAC's Accounting Professions Summit 2024: Accounting Professions in a Disruptive World</li> </ul>
3. Mr. MANOON MANUSOOK Director	Participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2024: Advanced Audit Committee Program (AAP)</li> </ul> Other <ul style="list-style-type: none"> <li>• 2024: Insight in SET: AC Focus - Understanding for Growth and Sustainability in the Capital Market</li> </ul>
4. Mr. AMNUAYCHAI SUWANSOONTORN Director	Participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2024: Director Accreditation Program (DAP)</li> </ul>
5. Mr. NUTTPASINT CHET-UDOMLAP Director	Participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2024: Risk Management Program for Corporate Leaders (RCL)</li> </ul>
6. Mr. ORAND PUIPUNTHAVONG Director	Participating	Other <ul style="list-style-type: none"> <li>• 2024: Hot Issue for Directors: Empowering Boards: Enhancing Governance, Standards, and Financial Insights 4/2024</li> </ul>
7. Mr. BUNDIT AOWSATHAPORN Director	Participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2024: Advanced Audit Committee Program (AAP)</li> </ul>
8. Mr. SOMPONG PONGSAKULRANGSRI Director	Participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2024: Director Accreditation Program (DAP)</li> </ul>
9. Mr. NARONG JENNARONGSAK Director	Participating	Other <ul style="list-style-type: none"> <li>• 2024: Hot Issue for Directors: Empowering Boards: Enhancing Governance, Standards, and Financial Insights 4/2024</li> </ul>
10. Mr. PHONGSAK SIRICUPTA Director	Non-participating	-
11. Mr. PAITON GUMCHAI Director	Non-participating	-

## Information on the evaluation of duty performance of directors

## Criteria for evaluating the duty performance of the board of directors

The Board of Directors has reviewed and approved the improvement of the self-assessment form for the performance of the Board of Directors and subcommittees, both as a whole and individually, as summarized by the Corporate Governance and Sustainability Committee, and has conducted a self-assessment (Self-Assessment) with the objective of using the assessment results, observations, and suggestions to review and improve the effectiveness of their performance in accordance with the principles of good corporate governance for listed companies and the Charter of the Board of Directors, which requires the Board of Directors and subcommittees to conduct a self-assessment of their performance at least once a year. In 2024, both group and individual assessments were conducted. The Board of Directors jointly considered the results of the assessment at the Board of Directors Meeting No. 4/2024. In addition, the assessment results are used to promote the development of knowledge and specific skills for individual directors.

Factors in evaluating the performance of the Board of Directors as a whole and individually, covering key issues including

- Board readiness, covering structure, composition, independence, roles, responsibilities, and board development.
- Strategy setting, business planning, and budgeting.
- Segregation of roles, duties, responsibilities, and delegation of authority.
- Supervision and monitoring.
- Human resource management.
- Risk management, internal control, and conflict of interest.
- Communication with the company's stakeholders and the public.
- Board meetings, covering the conduct of 1) Before the meeting: Submission of meeting materials in advance to allow

sufficient time for review and request for additional information from management. 2) During the meeting: Presentation of information and key issues, discussion and answering questions, abstention from participation and voting on agenda items in which one has a conflict of interest, and voting of the meeting. 3) After the meeting: Ensuring that the minutes of the meeting are accurate, complete, and sufficient, prepared in a timely manner, approved, and available for inspection by interested parties.

The evaluation of the performance of the subcommittee as a whole and individually has the following evaluation factors:

- Subcommittee readiness, covering structure, composition, independence, roles, responsibilities, and board development.
- Subcommittee meetings are scheduled in advance each year, completeness of performance of duties assigned by the Board

of Directors, and conduct of meetings. 1) Before the meeting: Submission of meeting materials in advance to allow sufficient time for review and request for additional information from management. 2) During the meeting: Presentation of information and key issues, discussion and answering questions, and voting of the meeting. 3) After the meeting: Ensuring that the minutes of the meeting are accurate, complete, and sufficient, prepared in a timely manner, approved, and available for inspection by interested parties.

- Roles, duties, and responsibilities of subcommittees.

## Evaluation of the duty performance of the board of directors over the past year

### Evaluation of the performance of the Board of Directors, all subcommittees, and individual directors for the year 2024

- Board Evaluation 3.74, representing 93.45%
- Individual Director Evaluation 3.77, representing 94.18%
- Audit Committee Evaluation 3.97, representing 99.27%
- CGS Committee Evaluation 3.95, representing 98.79%
- NC Committee Evaluation 3.92, representing 98.10%
- CPMC Committee Evaluation 3.80, representing 95%
- Investment Committee Evaluation 3.75, representing 93.79%

The majority of the Board believes that good or excellent action has been taken in that regard.

Note: Out of a total score of 4, according to the following scoring criteria:

- 0 = Strongly disagree, or no action taken in that regard
- 1 = Disagree, or little action taken in that regard
- 2 = Agree, or moderate action taken in that regard
- 3 = Somewhat agree, or good action taken in that regard

4 = Strongly agree, or excellent action taken in that regard

## 8.1.2 Meeting attendance and remuneration payment to each board member

### Meeting attendance of the board of directors

#### Meeting attendance of the board of directors

The Board of Directors holds Board of Directors' meetings and conducts meetings in accordance with the Company's Articles of Association, Public Law, and the regulations of the Stock Exchange of Thailand at least 6 times per year. Each year, there must be at least 1 Board of Directors' meeting without the attendance of executive directors. Directors are required to attend all Board of Directors' meetings, except in special circumstances. Non-executive directors may also hold meetings among themselves as necessary. Demco has set a schedule for Board meetings in advance throughout the year to enable directors to plan and arrange their time to attend the meetings accordingly. The Board of Directors' meetings have a clear agenda. The Company will send out meeting invitations and meeting materials to directors at least 5 business days in advance of the meeting date to allow directors sufficient time to review the information before attending the meeting. Each meeting lasts approximately 3 hours, except for meetings held for a specific purpose to consider a particular matter, with senior management attending the meeting to clarify details and answer questions from the Board of Directors. The Chairman of the Board provides an opportunity for all directors to express their opinions openly and freely before voting and summarizes the resolutions of the meeting on each agenda item. Directors who have a conflict of interest, whether directly or indirectly, are not entitled to vote and must leave the meeting during the consideration of that agenda item.

Demco prepares minutes of meetings in writing, keeping the originals together with the meeting invitations and meeting materials, and storing copies in electronic format for the convenience of directors and related parties in the audit.

Demco has provided facilities for meetings via video conference or teleconference to enable the directors to attend the Board of Directors' meetings and subcommittee meetings to provide opinions or suggestions that are beneficial to the organization or the Company's operations.

Demco has a policy that the quorum for a meeting of the Board of Directors must consist of not less than two-thirds of the total number of directors to constitute a quorum, and this also applies to the exercise of voting rights on each agenda item. However, if any meeting does not have a quorum of two-thirds, it is at the discretion of the Chairman of the Board to proceed with the meeting using the quorum as stipulated in the Company's Articles of Association (not less than one-half of the total number of directors).

Number of the board of directors meeting over the past : 6  
year (times)  
Date of AGM meeting : 29 Apr 2024  
EGM meeting : No

#### Details of the board of directors' meeting attendance

List of directors	Meeting attendance of the board of directors			AGM meeting attendance			EGM meeting attendance		
	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)
1. Mr. NUMCHAI LOWATTANATAKUL (Chairman of the board of directors, Independent director)	6	/	6	1	/	1	N/A	/	N/A

List of directors	Meeting attendance of the board of directors			AGM meeting attendance			EGM meeting attendance		
	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)
2. Mr. PRIN BHOLNIVAS (Director, Independent director)	5	/	6	1	/	1	N/A	/	N/A
3. Mr. MANOON MANUSOOK (Director, Independent director)	6	/	6	1	/	1	N/A	/	N/A
4. Mr. AMNUAYCHAI SUWANSOONTORN (Director, Independent director)	6	/	6	1	/	1	N/A	/	N/A
5. Mr. NUTTPASINT CHET-UDOMLAP (Director)	6	/	6	0	/	1	N/A	/	N/A
6. Mr. ORAND PUIPUNTHAVONG (Director)	6	/	6	1	/	1	N/A	/	N/A
7. Mr. BUNDIT AOWSATHAPORN (Director, Independent director)	6	/	6	1	/	1	N/A	/	N/A
8. Mr. SOMPONG PONGSAKULRANGSRI (Director, Independent director)	6	/	6	1	/	1	N/A	/	N/A
9. Mr. NARONG JENNARONGSAK (Director)	6	/	6	1	/	1	N/A	/	N/A
10. Mr. PHONGSAK SIRICUPTA (Director)	6	/	6	1	/	1	N/A	/	N/A
11. Mr. PAITON GUMCHAI (Director)	6	/	6	1	/	1	N/A	/	N/A

#### Detailed justification for the Company director's non-attendance at the Board of Directors' meeting

On an overseas mission

#### Remuneration of the board of directors

## Types of remuneration of the board of directors

The Board of Directors' Meeting has considered and approved the policy and criteria for determining directors' remuneration. The directors' remuneration is structured to be comparable to the levels prevailing in the energy and utilities industries, and appropriate to the experience, duties, scope of roles and responsibilities (Accountability and Responsibility), as well as the expected benefits from each director. Directors who are assigned additional duties and responsibilities, such as being a member of a subcommittee, will receive additional remuneration in the form of meeting allowances. Appropriate benefits are also provided, but must be in line with the growth and strength of the Company's operating results. The Board of Directors will propose the directors' remuneration to the shareholders' meeting for approval.

## Remuneration of the board of directors <sup>(2)</sup>

In 1964, the Company paid remuneration to the Board of Directors in the form of salaries and meeting attendance fees as follows:

### Details of the remuneration of each director over the past year

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
<b>1. Mr. NUMCHAI LOWATTANATAKUL (Chairman of the board of directors)</b>			<b>750,000.00</b>		<b>N/A</b>
Board of Directors	150,000.00	600,000.00	750,000.00	Yes	
<b>2. Mr. PRIN BHOLNIVAS (Director)</b>			<b>708,000.00</b>		<b>N/A</b>
Board of Directors	100,000.00	360,000.00	460,000.00	Yes	
Audit Committee	140,000.00	0.00	140,000.00	No	
Nomination and Remuneration Consideration Committee	48,000.00	0.00	48,000.00	No	
Investment Committee	60,000.00	0.00	60,000.00	No	
<b>3. Mr. MANOON MANUSOOK (Director)</b>			<b>729,000.00</b>		<b>N/A</b>
Board of Directors	120,000.00	360,000.00	480,000.00	Yes	
Audit Committee	126,000.00	0.00	126,000.00	No	
Corporate Governance and Sustainability Committee	75,000.00	0.00	75,000.00	No	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
Corporate Risk Management Committee	48,000.00	0.00	48,000.00	No	
<b>4. Mr. AMNUAYCHAI SUWANSOONTORN (Director)</b>			<b>600,000.00</b>		<b>N/A</b>
Board of Directors	120,000.00	360,000.00	480,000.00	Yes	
Nomination and Remuneration Consideration Committee	60,000.00	0.00	60,000.00	No	
Corporate Governance and Sustainability Committee	60,000.00	0.00	60,000.00	No	
<b>5. Mr. NUTTPASINT CHET-UDOMLAP (Director)</b>			<b>603,000.00</b>		<b>N/A</b>
Board of Directors	120,000.00	360,000.00	480,000.00	Yes	
Corporate Risk Management Committee	75,000.00	0.00	75,000.00	No	
Investment Committee	48,000.00	0.00	48,000.00	No	
<b>6. Mr. ORAND PUIPUNTHAVONG (Director)</b>			<b>603,000.00</b>		<b>N/A</b>
Board of Directors	120,000.00	360,000.00	480,000.00	Yes	
Investment Committee	75,000.00	0.00	75,000.00	No	
Nomination and Remuneration Consideration Committee	48,000.00	0.00	48,000.00	No	
<b>7. Mr. BUNDIT AOWSATHAPORN (Director)</b>			<b>666,000.00</b>		<b>N/A</b>
Board of Directors	120,000.00	360,000.00	480,000.00	Yes	
Audit Committee	126,000.00	0.00	126,000.00	No	
Corporate Governance and Sustainability Committee	60,000.00	0.00	60,000.00	No	



Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
<b>8. Mr. SOMPONG PONGSAKULRANGSRI (Director)</b>			<b>600,000.00</b>		<b>N/A</b>
Board of Directors	120,000.00	360,000.00	480,000.00	Yes	
Investment Committee	60,000.00	0.00	60,000.00	No	
Corporate Risk Management Committee	60,000.00	0.00	60,000.00	No	
<b>9. Mr. NARONG JENNARONGSAK (Director)</b>			<b>600,000.00</b>		<b>N/A</b>
Board of Directors	120,000.00	360,000.00	480,000.00	Yes	
Corporate Risk Management Committee	60,000.00	N/A	60,000.00	No	
Corporate Governance and Sustainability Committee	60,000.00	0.00	60,000.00	No	
<b>10. Mr. PHONGSAK SIRICUPTA (Director)</b>			<b>480,000.00</b>		<b>N/A</b>
Board of Directors	120,000.00	360,000.00	480,000.00	Yes	
Executive Committee	N/A	N/A	N/A	-	
Corporate Risk Management Committee	N/A	N/A	N/A	-	
Investment Committee	N/A	N/A	N/A	-	
Corporate Governance and Sustainability Committee	N/A	N/A	N/A	-	
<b>11. Mr. PAITON GUMCHAI (Director)</b>			<b>480,000.00</b>		<b>N/A</b>
Board of Directors	120,000.00	360,000.00	480,000.00	Yes	
Executive Committee	N/A	N/A	N/A	-	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
Corporate Risk Management Committee	N/A	N/A	N/A	-	
Investment Committee	N/A	N/A	N/A	-	
<b>12. Ms. Ratchaneevipa Puipunthavong</b> (Member of the executive committee)			N/A		N/A
Executive Committee	N/A	N/A	N/A	No	
<b>13. Mr. Prasitchai Veerayuttwilai</b> (Member of the executive committee)			N/A		N/A
Executive Committee	N/A	N/A	N/A	No	

#### Summary of the remuneration of each committee over the past year

Names of board members	Meeting allowance	Other monetary remuneration	Total (Baht)
1. Board of Directors	1,330,000.00	4,200,000.00	5,530,000.00
2. Audit Committee	392,000.00	0.00	392,000.00
3. Executive Committee	N/A	N/A	N/A
4. Nomination and Remuneration Consideration Committee	156,000.00	0.00	156,000.00
5. Corporate Risk Management Committee	243,000.00	0.00	243,000.00
6. Investment Committee	243,000.00	0.00	243,000.00
7. Corporate Governance and Sustainability Committee	255,000.00	0.00	255,000.00

Remark : <sup>(2)</sup> Note: This compensation does not include other benefits provided by the company, such as:

- Annual health check-ups and medical expenses: 50,000 Baht per person per year
- Group life insurance, Director's liability insurance
- Membership fees, seminars, and various courses from IOD and other related institutions

## Remunerations or benefits pending payment to the board of directors

Remunerations or benefits pending payment to the : 0.00  
board of directors over the past year  
(Baht)

### 8.1.3 Supervision of subsidiaries and associated companies

The Board of Directors has mechanisms to oversee management and participate in setting important business policies to safeguard the Company's investment. In addition to sending DEMCO executives to be in control of Demco Power Company Limited and Demco Delao

Company Limited (Lao PDR), the Board has assigned the Executive Committee to oversee operations. The Board has also established a Subsidiary/Associate Governance Committee Charter to provide a framework for operations. Demco Public Company Limited ("DEMCO"), as the parent company of the DEMCO Group, places importance on managing the companies within the group to operate in a direction that is consistent and aligned with the policies and operations of the Company. This ensures the efficient business operations of the DEMCO Group. The Board of Directors believes that in addition to assigning the Company's Executive Committee to be authorized to propose the appointment of executives with capabilities and expertise in each business area to serve as directors or senior executives representing the Company in subsidiaries or associates as appropriate, to jointly formulate policies and management directions for companies within the DEMCO Group to align with DEMCO's main policies, the Board has also defined the roles and framework for the performance of duties for DEMCO's representative directors. This aims to create a transparent working process, prevent conflicts of interest, and establish procedures for transactions within the group. The defined criteria are consistent with government regulations and relevant laws, serving as a standard for operations, protecting the rights and interests of the Company. The Investment Committee is also tasked with overseeing and ensuring that all subsidiaries or associates operate in accordance with the policies and missions set by the Board of Directors.

The Board of Directors has reviewed and approved the Subsidiary/Associate Governance Policy of Demco Public Company Limited to establish an appropriate "framework, policy, and governance process" for the context of each subsidiary/associate. This aims to maintain a balance between the "degree of control" of the parent company and the "degree of independence" of the subsidiary/associate at a level appropriate to each business and to maximize the benefits of the entire DEMCO Group. The main objectives of subsidiary/associate governance are as follows:

- 1) To establish operational guidelines for subsidiaries/associates that align with the goals and policies of the parent company, for the benefit of the entire DEMCO Group.
- 2) To establish a mechanism to control and monitor the operations of subsidiaries/associates to comply with good corporate governance principles and relevant regulations.
- 3) To create transparency in the operations of subsidiaries/associates by ensuring that there are no transactions that may result in a conflict of interest or unfairness to stakeholders.
- 4) To create channels for effective and timely communication, exchange, and disclosure of information between the parent company and subsidiaries/associates.
- 5) To establish a systematic approach (Compliance) to management, internal control, internal audit, and robust and effective risk management.
- 6) Focus on the performance and development of the potential (Performance) of subsidiaries/associates based on existing business relationships to create mutual benefits, leading to the sustainability of the entire DEMCO Group.

For more information, please visit the Company's website. [www.demco.co.th](http://www.demco.co.th) Under the topic of Corporate Governance

### Mechanism for overseeing subsidiaries and associated companies

Does the Company have subsidiaries and associated companies	: Yes
Mechanism for overseeing subsidiaries and associated companies	: Yes
Mechanism for overseeing management and taking responsibility for operations in subsidiaries and associated companies approved by the board of directors	: The appointment of representatives as directors, executives, or controlling persons in proportion to shareholding, The determination of the scope of duties and responsibilities of directors and executives as company representatives in establishing important policies, Transactions between the

company and related parties, Acquisition or disposal of assets, Internal control system of the subsidiary operating the core business is appropriate and sufficient in the subsidiary operating the core business

DEMCO will assign its representatives to be directors/executives in each subsidiary/associated company in accordance with the shareholding proportion in each company. This is to supervise and ensure that the subsidiaries/associated companies operate in accordance with the policies, objectives, vision, and strategies of the DEMCO Group, as well as comply with the laws, rules, and regulations of the relevant regulatory authorities. However, the assignment of DEMCO's representatives to be directors/executives in each subsidiary/associated company must be considered and approved by the Nomination and Remuneration Committee and approved by the DEMCO Board of Directors, taking into account the appropriateness of each company.

Directors/executives of subsidiaries/associated companies appointed or nominated by DEMCO are responsible for ensuring that before such subsidiaries/associated companies enter into any significant transactions or conduct any actions that have a material impact on the financial position and operating results of the subsidiaries/associated companies as specified in the Authorization Manual and the Articles of Association of such subsidiaries/associated companies, such matters must be approved by the DEMCO Board of Directors or the DEMCO Shareholders' Meeting (as the case may be) before the subsidiaries/associated companies convene their own board meetings and/or shareholders' meetings to consider and approve such transactions or actions.

The DEMCO Board of Directors will appoint sub-committees, including:

- Corporate Governance and Sustainability Committee to support the DEMCO Board of Directors in overseeing the framework and mechanisms for overseeing the policies and operations of subsidiaries/associated companies.
- The Executive Committee of DEMCO is responsible for overseeing the operations of subsidiaries/associated companies, including filtering or proposing matters that meet the criteria for submission to the DEMCO Board of Directors for approval, related to subsidiaries/associated companies under the DEMCO Group.

To comply with the Corporate Governance Policy and the Policy on Supervision of Subsidiaries/Associated Companies

## 8.1.4 The monitoring of compliance with corporate governance policy and guidelines

### Prevention of conflicts of interest

#### Operations for conflict of interest prevention over the past year

Demco has a policy to enhance and promote its corporate governance framework. The company has established additional guidelines for the Board of Directors and the Chief Executive Officer, including the establishment of a yearly meeting plan for the Board of Directors, requiring the Board of Directors to meet with the auditors without the presence of management at least once a year, and requiring the Board of Directors to consider various reports, such as risk management and sustainable supply chain development, at least twice a year, including reviewing the internal audit report at every Board of Directors meeting.

The Board of Directors has overseen compliance with the requirements for procedures and disclosure of conflicts of interest. This is in accordance with the guidelines of the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand, and relevant regulatory agencies. An audit committee has been appointed to consider, approve, and provide opinions on transactions that may involve conflicts of interest. In addition, Demco has established a code of conduct and defined the scope of business dealings with related parties by specifying the types and approval processes for transactions that may involve conflicts of interest, which are transactions that the company conducts in the ordinary course of business.

The company has implemented and monitored compliance with good corporate governance principles, such as

1. Employee care and non-discrimination
2. Antitrust and fair competition
3. Environmental, health, and safety management
4. Information security

Has the company operated in preventing conflicts of : Yes  
interest over the past year

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

The Board of Directors considers the conflict between personal interests and the interests of the Company as a crucial policy. It is defined as a good corporate governance policy and sets out guidelines for directors, executives, and employees in the Code of Business Conduct and Ethics. This code mandates that directors, executives, and employees must disclose their interests and those of related parties that may pose a conflict of interest. This practice aims to prevent the exploitation of their positions as directors, executives, or employees of DEMCO for personal gain. DEMCO has established the following guidelines for its directors, executives, and employees:

1) Directors, executives, and employees should avoid engaging in transactions that are considered connected transactions as per the Capital Market Supervisory Board's notifications, which may give rise to conflicts of interest with DEMCO, both directly and indirectly.

2) The Board of Directors must establish measures to monitor and oversee transactions that may involve conflicts of interest. The appropriateness of such transactions must be carefully and independently considered within the framework of good corporate governance in conducting transactions that may involve conflicts of interest.

3) In the event that DEMCO's directors, executives, and employees need to engage in related party transactions that are reasonable and in the best interests of DEMCO, such transactions must be conducted as if DEMCO were transacting with an outside party. The pricing and terms of the transaction must adhere to the principles of fairness and arm's length basis, or in accordance with DEMCO's relevant policies. A report on such transactions must be submitted to the Audit Committee and the Board of Directors for acknowledgement every quarter. Directors, executives, or employees of DEMCO who have an interest in such transactions are prohibited from participating in the consideration, approval, or authorization of such transactions.

4) Do not seek benefits for oneself or others by using or disclosing undisclosed or confidential inside information to external parties. This should be in accordance with DEMCO's Insider Information Policy to ensure fairness to all stakeholders. Directors and executives must report their interests or those of related parties in cases where there are interests related to the management of DEMCO's business. The reporting of interests by directors and executives is as follows:

a) Initial Report: A report must be submitted to the Company Secretary upon the director or executive assuming the position of director or executive.

b) Reporting Changes in Interest Information: Report any changes in information without delay within 3 business days from the date of the change, specifying the number of times the information has been changed.

c) Report of Conflicts of Interest or Significant Related Party Transactions: The Company's directors and executives who have a conflict of interest or are significantly related to the agenda items under consideration must notify the Company Secretary. This notification, to be reported to the Board of Directors, should detail their relationship or interest in said agenda items no later than the Board meeting's commencement. This information must be recorded in the minutes of that Board of Directors meeting. These individuals must abstain from participating in the deliberation and shall have no authority to approve such transactions.

DEMCO considers the conflict of interest prevention policy to be of paramount importance. Therefore, DEMCO's Audit Committee has established guidelines on conflicts of interest and conducts regular reviews to ensure that the implementation of the control system is standardized and transparent.

#### **Number of cases or issues related to conflict of interest**

	2022	2023	2024
Total number of cases or issues related to conflict of interest (cases)	0	0	0

#### **Prevention of the use of inside information to seek benefits**

The Company places great importance on the use of the Company's inside information for personal gain. The Company has established a policy on the management of confidential information and information that may affect the price of securities, along with guidelines in the DEMCO Code of Business Conduct and Code of Conduct, as follows:

#### Policy

- 1) DEMCO shall provide knowledge and understanding to the Board of Directors and executives of DEMCO regarding the reporting of shareholding and changes in shareholding of the Company to the SEC according to Section 59 and 258 of the Securities and Exchange Act B.E. 2535, SEC Notification No. Sor Chor. 6/2567 Re: Reporting of Changes in Securities Holding and Futures Contracts of Directors, Executives, Auditors, Planners and Plan Administrators, including the Act and subsequent amendments to the announcements. It is specified that the Company Secretary must be notified each time in order to inform relevant parties, including the penalties for violation or non-compliance with such regulations.
- 2) The Board of Directors, executives as defined by the SEC, and auditors, including related persons as prescribed by the SEC Office, are required to report their shareholding in DEMCO for the first time upon appointment and whenever there is a change, including the number of shares held by related persons according to Sections 59 and 258 of the Securities and Exchange Act, and report changes in shareholding to the Board of Directors meeting each time for acknowledgement.
- 3) It is specified in the employment contract, including the company's binding rules regarding work, standards of conduct for executives and employees, which are considered to be the ethics and code of conduct of employees in carefully maintaining the confidentiality of DEMCO's information, not using their position in DEMCO or using inside information or material non-public information obtained during their employment with DEMCO for improper personal gain or disclosing it to outsiders for personal gain and that of related parties, or causing DEMCO to suffer a loss or acting in a manner that creates a conflict of interest.
- 4) Give importance to protecting the confidential information of customers seriously and consistently, without using such information for the benefit of oneself and related parties, except for information that is public or information that must be disclosed to outsiders according to relevant laws.
- 5) In the event that an outside party is involved in an ad hoc work related to information that is not yet publicly available and is under negotiation, which falls under the scope of insider information that may affect the share price of DEMCO, such outside party must enter into a Confidentiality Agreement with the Company in accordance with the Confidentiality Agreement Policy until the information is disclosed to the Stock Exchange of Thailand and the SEC Office.
- 6) Establish policies and practices for the use of network and computer systems, governance of information technology and communication security to control and maintain the security of information in the information system and/or prevent access to DEMCO's information by outsiders and define the level of access to DEMCO's information for executives and employees at different levels to be appropriate to their responsibilities.
- 7) Penalties shall be imposed in accordance with DEMCO's regulations if it is found that an executive or employee or related person has used inside information or has engaged in conduct that could cause damage or loss to DEMCO.
- 8) Report to the Board of Directors on a quarterly basis in the event of insider information being used or conduct that could cause damage or loss to DEMCO.
- 9) The Chief Executive Officer, Managing Director, Company Secretary or authorized person shall have the authority to disseminate the Company's information and provide information to outsiders.
- 10) The Regulatory and Control Unit is responsible for maintaining the register and reviewing the list of persons designated by the Company on an annual basis and notifying the manager or head of department and such persons when they are added/removed from the register.

#### Practices

- 1) Reporting of DEMCO shareholding in the case of directors and executives as defined by the SEC who are newly appointed and are not yet listed in the system of directors and executives of listed companies notified to the SEC Office, report within 7 business days from the date of purchase, sale, transfer or receipt of transfer and the Company has notified the names of directors and executives in the manner prescribed by the SEC Office. The report on changes in shareholding, including spouses or cohabitants as husband and wife and unemancipated children, as well as related persons, according to Section 59 of the Securities and Exchange Act B.E. 2535 and subsequent amendments to the announcements, must be submitted within 3 business days from the date of purchase, sale, transfer or receipt of transfer to the SEC Office by reporting through the SEC Office's website at <https://market.sec.or.th/ExamSso/login/COMPANYPORTALR59?url=https://market.sec.or.th/r59/default.aspx>, including the prohibition of trading in the Company's securities during the 1 month period prior to the public release of the financial statements.
- 2) Report of changes in shareholding in the case of directors and executives as defined by the SEC, including spouses or cohabitants as husband and wife and unemancipated children, as well as related persons, according to Section 59 of the Securities and Exchange Act B.E. 2535 and subsequent amendments to the announcements, from the date of purchase, sale, transfer or receipt of transfer to the SEC Office by reporting through the SEC Office's website at E-service: Form 59, including the prohibition of trading in the Company's securities during the 1 month period prior to the public release of the financial statements. The reporting period is as follows:
  - 2.1 In the case of a value equal to or greater than 3 million baht, it must be reported within 3 business days (T+3) from

the date of the transaction of buying, selling, transferring or receiving transfers of securities and futures contracts.

2.2 In the case of a transaction value of less than 3 million baht, reporting can be chosen.

- For a value of less than 3 million baht, you can choose to report within 3 business days (T+3) or
- When the total value of trading, selling, transferring or receiving transfers of securities and futures contracts is equal to or greater than 3 million baht, report within 3 business days (T+3).
- In the case of an accumulated value of 3 million baht or more, report within 3 business days (T+3), except for the amount already reported, there is no need to carry forward the original amount to the report.
- Or report every 6 months, report within 3 business days (T+3) from the first day of not reporting to the SEC, even if the accumulated value is less than 3 million baht.

Note:

- T means the transaction date, the date the accumulated value reaches 3 million baht, or the date the 6-month period expires, as the case may be.

- Count only business days, excluding holidays.

2.3 Send a copy of the shareholding change report to the SEC Office on the same day as the report is submitted to the SEC Office by sending it to the Company Secretary in order to have information to proceed in accordance with the policy to prevent the use of insider information for personal gain and to disclose the annual information (Form 56-1 One report).

2.4 Upon becoming aware of material inside information that may affect the securities price, trading in DEMCO securities must be suspended for a period of 1 month before such financial statements or inside information are disclosed to the public and such material information must not be disclosed to any other person.

2.5 The Company Secretary shall issue an internal letter 7 days prior to the closing date of the quarterly/annual financial statements to notify the Board of Directors, executives and departments that are aware of the inside information not to disclose the inside information to outsiders or unrelated persons and to prohibit the trading of DEMCO securities during the 1 month period before the financial statements are released to the public.

2.6 Transactions by directors or executives related to the pledging of listed company shares as collateral, which in some cases lead to forced sales of collateral to repay loans or loss of collateral, have a significant impact on the shareholding structure. If there is an action in this regard, it should be transacted with caution.

## Operations for prevention of the use of inside information to seek benefits over the past year

Has the company operated in preventing the use of : Yes  
inside information to seek benefits over the past year

The Board of Directors and executives are informed of the blackout period for trading securities 30 days before the disclosure of the quarterly and annual financial statements and other periods as deemed appropriate by DEMCO, following the policy on insider information management and information that may affect securities prices.

## Number of cases or issues related to the use of inside information to seek benefits

	2022	2023	2024
Total number of cases or issues related to the use of inside information to seek benefits (cases)	0	0	0

## Anti-corruption action

DEMCO's business dealings with business associates must be conducted fairly, transparently, honestly, verifiably, and free from corruption. This includes complying with relevant laws and DEMCO's anti-corruption policy, as well as avoiding any suspicion or damage to the company's reputation. Therefore, the Anti-Fraud, Anti-Corruption, and Anti-Bribery Policy is established as follows:

1. DEMCO Group personnel must not engage in or participate in any form of fraud, corruption, or bribery, both directly and indirectly. They are responsible for complying with DEMCO Group's Anti-Fraud, Anti-Corruption Policy, Good Corporate Governance Manual, Code of Conduct, and Code of Business Ethics, as well as other relevant regulations and requirements.

2. DEMCO Group personnel must exercise caution in receiving or giving gifts, assets, or any other benefits, including hospitality and other expenses. Giving or receiving gifts and hospitality must be for business purposes or customary practices only, with appropriate value, and must not influence decision-making in the performance of duties.
3. DEMCO Group's charitable donations and sponsorships have a clear audit, approval, and review process, with supporting documentation that aligns with DEMCO Group's regulations. This ensures that charitable donations and sponsorships are not used as a pretext for corruption.
4. DEMCO Group has a process in place to regularly audit systems, sales and marketing operations, procurement, and contracting processes. This includes assessing the risk of fraud and corruption, bribery, and management to ensure appropriate remedies are in place.
5. DEMCO Group has a human resource management process that reflects its commitment to anti-fraud, anti-corruption, and anti-bribery measures. It has a policy of not demoting, punishing, or negatively impacting personnel who refuse to engage in fraud, corruption, or bribery, even if such actions result in lost business opportunities for DEMCO Group. DEMCO Group has a clear communication process regarding this policy.
6. The Internal Audit Department is responsible for reviewing operations to ensure compliance with policies, practices, authorities, regulations, laws, and regulatory requirements. This ensures that there are appropriate and adequate internal control systems in place to mitigate the risk of fraud, corruption, and bribery. The department reports its findings to the Audit Committee. If any issues of non-compliance with the Anti-Fraud, Anti-Corruption, and Anti-Bribery Policy are found, the operating units must be notified for improvement.
7. DEMCO Group has procedures in place for maintaining documents and records to be readily available for audit to confirm the accuracy and appropriateness of financial reports. This includes procedures to ensure that there are no unrecorded or unexplained transactions or fictitious transactions.
8. DEMCO Group has procedures in place to ensure that internal controls over accounting and record-keeping are subject to internal audit to confirm the effectiveness of the anti-fraud, anti-corruption, and anti-bribery measures. This is to ensure that financial records are adequately documented for audit purposes.
9. DEMCO Group provides ongoing communication and training to its personnel to ensure a thorough understanding of anti-fraud, anti-corruption, and anti-bribery measures, DEMCO Group's expectations, and penalties for non-compliance.
10. DEMCO communicates its anti-fraud, anti-corruption policy and practices to DEMCO Group, business partners, stakeholders, and the public through various communication channels for their information and implementation.
11. DEMCO Group personnel should not ignore or disregard any act that may violate anti-fraud, anti-corruption, and anti-bribery measures. DEMCO Group provides channels for reporting whistleblowing, including when personnel need advice on complying with anti-fraud, anti-corruption, and anti-bribery measures.
12. The DEMCO Sustainability Development Working Group is responsible for reporting on the performance of this Anti-Fraud, Anti-Corruption, and Anti-Bribery measure to the Corporate Governance and Sustainability Committee and the Board of Directors at least annually.
13. The Internal Audit Department can urgently report the issues found to the Managing Director, Chief Executive Officer, and the Audit Committee for reporting to the Board of Directors.
14. DEMCO Group cooperates and provides truthful information to government agencies responsible for investigating corruption, such as the National Anti-Corruption Commission (NACC), the Public Sector Anti-Corruption Commission (PACC), the Anti-Corruption Organization of Thailand (ACT), the Royal Thai Police, the Court, and other anti-corruption agencies.

## Operations in anti-corruption in the past year

Has the company operated in anti-corruption over the : Yes  
past year

Form of operations in anti-corruption : Review of appropriateness in anti-corruption, The participation in anti-corruption projects, Assessment and identification of corruption risk, Communication and training for employees on anti-corruption policy and guidelines, The monitoring of the evaluation of compliance with the anti-corruption policy, Review of the completeness and adequacy of the process by the Audit Committee or auditor

- Communicate and provide training to employees on anti-corruption policies and practices to employees at all levels annually. and no employees were found to have committed such offenses.



## Number of cases or issues related to corruption

	2022	2023	2024
Total number of cases or issues related to corruption (cases)	0	0	0

## Whistleblowing

### Operations related to whistleblowing over the past year

Has the company implemented whistleblowing : Yes  
procedures over the past year

DEMCO prioritizes communication with all stakeholders to exchange information, as well as listen to their opinions and suggestions for mutual benefit. In the event that stakeholders are treated unfairly by DEMCO, they can file complaints, suggestions, comments, or whistleblowing to DEMCO in many aspects, both in terms of good governance and others, including conduct that may indicate fraud or misconduct of individuals in the organization, both from employees and other stakeholders. DEMCO places importance on keeping complaint information confidential, which will only be known to the designated and relevant personnel to build confidence for the complainant. A written procedure for receiving and investigating complaints has been established. DEMCO has established the following channels for contact, complaints, or whistleblowing:

- (1) Audit Committee E-mail : [Auditcom@demco.co.th](mailto:Auditcom@demco.co.th)
- (2) Corporate Governance and Sustainability Committee E-mail : [goodgovernance@demco.co.th](mailto:goodgovernance@demco.co.th)
- (3) Company Secretary E-mail : [Com\\_Secretary@demco.co.th](mailto:Com_Secretary@demco.co.th)
- (4) Secretary of the Audit Committee E-mail : [AC\\_Secretary@demco.co.th](mailto:AC_Secretary@demco.co.th)
- (5) Secretary of the Corporate Governance and Sustainability Committee E-mail : [Gov\\_Secretary@demco.co.th](mailto:Gov_Secretary@demco.co.th)
- (6) Suggestion box located at the head office.

Send a letter or other appropriate and secure channels to the Audit Office, DEMCO Public Company Limited, 59 Moo 1, Suanprikthai, Mueang, Pathum Thani 12000 or fax 02-9595811 ext. 2018.

In the event that an issue is found that needs to be reported urgently, please report it directly to the Company Secretary or the Secretary of the Audit Committee.

DEMCO has measures to protect complainants by treating relevant information as confidential and will conduct fact-finding to proceed accordingly.

#### Measures to protect those who report or provide information in good faith.

- The information and identity of the informant, complainant, and the subject of the complaint will be kept confidential.
- Information will be disclosed only as necessary, taking into account the safety and damage of the informant. The source of the information or related persons who have been damaged will be remedied through an appropriate and fair process.
- It is stipulated that informants, complainants, or those who cooperate in the fact-finding investigation can request appropriate protection measures if they deem that the matter is likely to cause distress, damage, or insecurity.
- No unfair action shall be taken against whistleblowers, complainants, or those who cooperate in the fact-finding investigation, whether by changing their job positions, job descriptions, workplaces, suspending them, intimidating them, interfering with their work, terminating their employment, or any other act that is unfair.

DEMCO has not received any complaints on this matter.

## Number of cases or issues related to whistleblowing

	2022	2023	2024
Total number of cases or issues received through whistleblowing channels (cases)	0	0	0

## 8.2 Report on the results of duty performance of the audit committee in the past year

### Report of the Audit Committee

The Audit Committee of Demco Public Company Limited ("DEMCO") comprises three qualified independent directors who meet the requirements of the Securities and Exchange Commission. Two of the audit committee members possess adequate knowledge, understanding, and experience in accounting and finance to effectively perform the financial statement audit.

In 2004, the Audit Committee operated independently within the scope, duties, and responsibilities assigned by the Board of Directors and as stipulated in the Audit Committee Charter. This aligns with good corporate governance practices of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), as well as the good practices for audit committees of the Thai Institute of Directors Association (IOD). The Audit Committee has overseen DEMCO's operations to ensure compliance with good corporate governance principles, adequate and appropriate risk management and internal control systems, compliance with relevant laws, rules, and regulations, and promotion and support for the implementation of anti-corruption and bribery policies. The Audit Committee focuses on transparency, an effective and efficient internal audit system, and accurate, complete, and timely financial reporting to create sustainable value for DEMCO and all stakeholders.

### 8.2.1 Meeting attendance of audit committee <sup>(3)</sup>

During 2024, the Audit Committee held 10 meetings, both at the office and electronically. The list of Audit Committee members and the number of meetings attended are as follows:

Meeting attendance of audit committee (times) : 10

List of directors	Meeting attendance of audit committee		
	Meeting attendance (times)	/	Meeting attendance rights (times)
1 Mr. PRIN BHOLNIVAS (Chairman of the audit committee)	10	/	10
2 Mr. BUNDIT AOWSATHAPORN (Member of the audit committee)	10	/	10
3 Mr. MANOON MANUSOOK (Member of the audit committee)	10	/	10

Remark : <sup>(3)</sup> With Ms. Boonluck Chompao, Internal Audit Manager, acting as secretary to the audit committee.

### 8.2.2 The results of duty performance of the audit committee

The Audit Committee invites management, relevant personnel, and auditors to attend meetings on various agendas to discuss important issues or issues that may affect the operations of the Demco Group, including one meeting with the auditors without management present. The Audit Committee regularly reports its performance to the Board of Directors.

Summary of Key Activities in 2024

#### 1. Review of Financial Reports

The Audit Committee reviewed the Company's financial reports, both interim financial information and annual financial statements, which were prepared in accordance with generally accepted accounting principles. The Audit Committee reviewed material issues, the accuracy and completeness of the financial reports and financial statements, intercompany transactions, adjustments to significant accounting entries affecting the financial information and financial statements, the adequacy and appropriateness of accounting policies, and the scope of the audit. The Audit Committee is reasonably assured that the financial information and financial statements, including the notes to the financial statements, are fairly presented in all material respects, in accordance with the requirements of laws and financial reporting standards, and that there is adequate disclosure of material information for the benefit of investors or users of the financial reports in a timely manner. The Audit Committee approved the financial information and financial statements that have been reviewed and audited by the auditors, which is an unqualified opinion. In addition, the Audit Committee met with the auditors without management present once to discuss the scope of the audit

and independence, access to audit information, material information used in the preparation of the financial information and financial statements, audit limitations, as well as disclosures and the presentation of Key Audit Matters (KAM) to be included in the auditor's report.

## **2. Review of Corporate Governance**

The Board of Directors promotes sustainable development by ensuring good corporate governance, transparency, credibility, and accountability, which are key factors in creating value for the Company and all stakeholders equally. The Audit Committee is responsible for reviewing the performance of the established systems to ensure compliance with laws, regulations, and requirements of the Securities and Exchange Commission, the Stock Exchange of Thailand, and other laws related to Demco's business operations. It also reviews related party transactions, potential conflicts of interest, and the disclosure of intercompany transactions in accordance with the related party transaction policy. In addition, the Audit Committee reviews compliance with the Anti-Corruption and Bribery ("CAC") measures, promotes and supports the whistleblowing process, and protects the rights of whistleblowers acting in good faith to ensure transparency and fairness. The Audit Committee meets with management to discuss the performance of the anti-corruption and bribery policy and reports the results to the Board of Directors for their advice and recommendations on best practices in accordance with good corporate governance principles. In 2024, the Company had no conflicts of interest and received no complaints or whistleblowing reports regarding corruption.

## **3. Review of the Effectiveness of the Internal Control System and Risk Management**

The Audit Committee reviewed the internal control system to ensure that it is in line with the good practices of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as the internal control framework under the Committee of Sponsoring Organization of the Treadway Commission (COSO 2013). The Audit Committee's assessment concluded that Demco's internal control is adequate and appropriate for its business operations and in accordance with established standards. In addition, the Audit Committee reviewed the effectiveness and efficiency of the risk management process, the risk management plan, and the approach to managing risks that may affect Demco's operations under the risk management policy. The Audit Committee also held one meeting with the Risk Management Committee to integrate their work and develop the linkage between internal control, risk management, and internal audit to be used as a tool for monitoring, following up, and evaluating Demco's operations appropriately. The Audit Committee also provided recommendations for improvement.

## **4. Overseeing Internal Audit Function**

The Audit Committee reviewed and approved the annual internal audit plan and the adjustment of the audit plan to align with the organization's objectives and to be consistent with the business strategy and changing environment. The Audit Committee reviewed the performance and results of the audit plan, provided recommendations, and followed up on the implementation of corrective actions on significant issues identified in the audit reports on an ongoing basis to ensure good corporate governance and adequate and appropriate internal control. In addition, the Audit Committee supported the development of personnel in the Internal Audit Office to have the knowledge and ability to perform their duties by reviewing and approving the annual training plan. The Audit Committee also placed importance on and supported the audit staff in developing their knowledge and experience to obtain various professional certificates and to have the knowledge and ability to perform audit work professionally and efficiently. The Audit Committee considered the adequacy of the Internal Audit Office's personnel, approved the appointment, transfer, and promotion of personnel in the Internal Audit Office, and evaluated the performance and considered the annual performance appraisal of the head of the Internal Audit Office.

In addition to overseeing the internal audit unit under the Company, in 2024, the Audit Committee approved the hiring of Thamma Nithi Audit Co., Ltd. as an independent internal auditor to audit the operations of various departments within the Company to ensure compliance with established policies and procedures. This is to ensure that the audit work is in line with the annual audit plan, to strengthen and support the internal audit function, and to report the audit results directly to the Audit Committee on a regular basis.

## **5. Maintaining the Quality of the Audit Committee**

The Audit Committee reviews its charter at least annually to ensure that it is appropriate, complies with the rules, regulations, and criteria of the regulators, and is consistent with the responsibilities assigned by the Board of Directors. The Audit Committee reports its performance to the Board of Directors on a quarterly basis, along with recommendations for improving the corporate governance process, risk management, internal control, and compliance with relevant laws, regulations, and requirements, including Demco's operating procedures. In addition, the Audit Committee evaluates its overall performance as a committee and conducts individual self-assessments in accordance with the assessment guidelines of the Stock Exchange of Thailand and the good practices for audit committees of the Thai Institute of Directors Association (IOD) to ensure that the Audit Committee's performance is effective and achieves the objectives and plans set. The Audit Committee reports the results of the performance evaluation to the Board of Directors and discloses the assessment in the Annual Information Form, Annual Report 2024 (Form 56-1 One Report).

The Audit Committee encourages and supports the audit committee members and relevant executives to attend training courses related to audit work and related business operations to enhance their potential and work performance on an ongoing basis. In 2024, the audit committee members attended the Advanced Audit Committee (AACP) program organized by the Thai Institute of Directors Association (IOD), the Insight in SET: AC Focus program organized by the Stock Exchange of Thailand, and courses on accounting standards and internal control systems organized by various reputable institutions. In addition, the internal audit manager attended the Pre-CIA program organized by Chulalongkorn University.

#### **6. Consideration of the Appointment of Auditors and Determination of Audit Fees**

The Audit Committee has considered and resolved to approve Ms. Nattasakron Sarochonanchin, Certified Public Accountant No. 4563, or Ms. Jarunee Nuammae, Certified Public Accountant No. 5596, or Ms. Daranee Somkamnerd, Certified Public Accountant No. 5007, or Mr. Sirameth Akkarachotikunan, Certified Public Accountant No. 11821, any one person from A.M.T. Associates, as the auditor of Demco for the year 2024, which is the second year of their engagement with the Company, and to propose to the Board of Directors for presentation to the 2024 Annual General Meeting of Shareholders for consideration. The Shareholders' Meeting approved the appointment of the auditor and the audit fees for the year 2024 as proposed.

The Audit Committee has performed its duties responsibly as specified in the Audit Committee Charter approved by the Board of Directors, using its knowledge, abilities, and due care and diligence, with sufficient independence. The Audit Committee has also provided constructive comments and suggestions for the benefit of Demco, taking into account all stakeholders. The Audit Committee is of the view that Demco's management and operations have continuously improved in terms of good corporate governance, with appropriate and adequate risk management and internal control systems. There were no material weaknesses in internal control reported by the auditors or internal auditors. However, the Company's internal control system still needs to be continuously improved to address any potential weaknesses, as well as to be more efficient and in line with the business expansion of the Group. The financial reporting of Demco is materially accurate and reliable, in accordance with financial reporting standards, with adequate, complete, and timely disclosures. Demco has consistently complied with laws and regulations related to its business operations.

## 8.3 Summary of the results of duty performance of subcommittees

### 8.3.1 - 8.3.2 Meeting attendance and the results of duty performance of subcommittees

#### Meeting attendance Executive Committee

The Executive Committee is a subcommittee authorized by the Board of Directors to act on its behalf in matters beyond the authority of the Chief Executive Officer (CEO) and the President (Managing Director). This delegation of authority is intended to ensure that operations proceed swiftly and efficiently in alignment with business circumstances and operational necessities. Additionally, the Executive Committee is responsible for screening and reviewing significant matters proposed by the management before presenting them to the Board of Directors or relevant subcommittees for consideration, approval, or endorsement as appropriate. The committee also has the authority to oversee and manage certain routine operations as assigned by the Board of Directors.

The list of Executive Committee members and their meeting attendance from January 1, 2024, to December 31, 2024, is as follows:

Meeting Executive Committee (times) : 32

List of Directors	Meeting attendance Executive Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. PHONGSAK SIRICUPTA (The chairman of the executive committee)	32	/	32
2 Mr. PAITON GUMCHAI (Member of the executive committee)	32	/	32
3 Ms. Ratchaneevipa Puipunthavong (Member of the executive committee)	32	/	32
4 Mr. Prasitchai Veerayutwilai (Member of the executive committee)	32	/	32

#### The results of duty performance of Executive Committee

With Ms. Sarinya Chimwai, Manager of the Office of the Managing Director, serving as Secretary to the Executive Committee. In the year 2024, the Executive Committee has diligently and consistently carried out its duties within the scope of authority and responsibilities assigned by the Board of Directors. The committee has played a key role in setting the direction and supporting the operations of the DEMCO Group to align with the established goals and policies. The key operational outcomes can be summarized as follows:

##### 1. Formulation of Business Policies and Strategies

The Executive Committee collaboratively reviewed and developed business policies, strategies, operational plans, financial targets, and the annual budget for the DEMCO Group. These considerations took into account the economic landscape and surrounding factors, with adjustments made as necessary to align with changing circumstances throughout the year.

##### 2. Business Operations Oversight

The committee closely monitored, reviewed, and provided guidance to the management team to ensure that each business unit operated according to the established plans and goals, emphasizing organizational efficiency and effectiveness. Human resource management was also a key focus, with the committee evaluating organizational structures, personnel management plans, succession planning, performance assessments, and appropriate compensation frameworks, which were then proposed to the Board of Directors through relevant subcommittees.

##### 3. Investment and Significant Transactions Review

The committee assessed and approved investment projects, joint ventures, and financial transactions that aligned with the company's investment policies and the budget framework approved by the Board of Directors. Additionally, it closely monitored the

performance of each project and provided recommendations to the Board on significant projects or transactions.

#### 4. Risk Management

The committee ensured that risk management activities were aligned with corporate strategies and fostered a risk-aware culture at all levels. It conducted at least an annual review of the risk management system and reported key risk issues to the Board of Directors.

#### 5. Approval and Implementation of Key Regulations/Policies

The committee reviewed and approved regulations, policies, and management manuals to ensure systematic and transparent business operations in accordance with corporate governance principles and accountability standards.

#### 6. Appointment of Consultants and Delegation of Authority

The Executive Committee considered the appointment of consultants to provide guidance on critical matters within a specified budget. It also delegated authority to appropriate individuals to ensure efficient execution of various tasks. Throughout the year, the committee has performed its duties with diligence, transparency, and adherence to corporate governance principles to support the sustainable growth of the DEMCO Group.

## Meeting attendance Nomination and Remuneration Consideration Committee

The Nomination and Compensation Committee ("Nomination Committee") of Demco Public Company Limited ("Demco") has been appointed

by the Board of Directors to support the operations of the Board of Directors. The committee has the authority and responsibilities as specified in the Nomination Committee Charter, which includes the establishment of policies, criteria, and methods for selecting directors and senior executives, as well as reviewing the policies, criteria, or methods for determining fair and reasonable compensation and benefits for directors and senior executives. Additionally, the committee reviews the policies or methods for determining compensation for external individuals appointed as the company's advisors or board advisors.

The list of members of the Nomination and Compensation Committee and their meeting attendance from January 1, 2024, to December 31, 2024, is as follows:

Meeting Nomination and Remuneration : 6  
Consideration Committee (times)

List of Directors	Meeting attendance Nomination and Remuneration Consideration Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. AMNUAYCHAI SUWANSOONTORN (The chairman of the subcommittee)	6	/	6
2 Mr. PRIN BHOLNIVAS (Member of the subcommittee)	6	/	6
3 Mr. ORAND PUIPUNTHAVONG (Member of the subcommittee)	6	/	6

## The results of duty performance of Nomination and Remuneration Consideration Committee

With Ms. WONRUEDEE SUVAPAN, Deputy Managing Director of the Audit Office, serving as Secretary to the Nomination Committee. In 2024, the Nomination Committee held a total of 4 scheduled meetings and 2 special meetings. All members of the Nomination Committee attended the meetings to review, provide recommendations, and monitor important operations. The results of the meetings, along with comments, were reported to the Board of Directors for consideration. The key points of the committee's activities are as follows:

1. The committee considered the nomination of individuals with diverse qualifications in terms of skills, experience, knowledge, abilities, and specific qualifications necessary to achieve the organization's purpose and goals. These individuals must also possess expertise aligned with Demco's business strategy. The committee ensured that the nominated individuals met the

requirements for serving as directors of Demco under relevant laws, such as the Public Company Act, Securities and Exchange Act, as well as Demco's regulations and corporate governance policies. The Board Skill Matrix was reviewed, and an analysis of the skills lacking in the Board of Directors was conducted to ensure the selection of directors with suitable qualifications, transparent work history, and no conflicts of interest with Demco. This process aims to build trust and meet the needs of Demco's business and its stakeholders. The following steps were taken in the consideration for the appointment of directors:

1.1 The committee considered nominating individuals to replace directors whose terms were due to expire at the Annual General Meeting of Shareholders in 2024. The Nomination Committee followed the established criteria and recruitment process and provided recommendations to the Board of Directors for approval. The committee also endorsed the nomination of individuals with qualifications suitable for Demco's business operations, for consideration and approval at the Annual General Meeting of Shareholders, to elect them as directors, as applicable. This process is part of promoting good corporate governance, particularly in safeguarding shareholders' rights.

1.2 In 2024, the Board of Directors provided shareholders with the opportunity to propose individuals for consideration to be elected as directors, following the specified criteria, from October 1, 2024, to December 30, 2024. After the specified period had passed, it was found that no shareholder had submitted any nominations for the director recruitment process for the Annual General Meeting of Shareholders in 2025.

2. The committee reviewed the policy and criteria for determining the compensation of directors, established the compensation and components of director compensation for the Board of Directors and sub-committees, and set the compensation limit for 2024 at a level appropriate to the directors' duties and responsibilities. This was benchmarked against the compensation for directors of listed companies in the same industry sector on the Stock Exchange of Thailand. The review also took into account the overall performance of the Demco Group, as well as compliance with relevant regulations, principles, and good practices. The recommendations were presented to the Board of Directors for approval before being submitted for shareholder approval at the Annual General Meeting. Additionally, the compensation of the directors and sub-committees was disclosed in this annual report.

3. The committee reviewed the management's proposal regarding compensation and the plan for providing appropriate compensation and benefits for executives and employees within the Demco Group. This was done before presenting it to the Board of Directors for approval. The review was based on the suitability of the compensation relative to the duties and responsibilities assigned, performance outcomes, overall economic conditions, and benchmarking against companies in the same industry sector.

4. The committee monitored, oversaw, and provided guidance on the implementation of the Succession Plan, which is the process of preparing individuals for key positions within the company.

5. The committee conducted an annual performance evaluation for the Nomination Committee for 2024, reported the evaluation results to the Board of Directors, and disclosed the evaluation results in the Annual Information Disclosure Form (Form 56-1 E-One Report) for the 2024 Annual Report.

The Nomination and Compensation Committee has performed its duties as outlined above in accordance with the roles and responsibilities assigned by the Board of Directors and as specified in the Nomination Committee Charter. The committee has carried out its responsibilities with thoroughness, caution, transparency, and independence, providing candid opinions for the best interests of Demco, shareholders, investors, and all stakeholders. The committee remains committed to fulfilling its duties with fairness and equity, adhering to good corporate governance principles, to ensure Demco's sustainable growth moving forward.

## Meeting attendance Corporate Risk Management Committee

Meeting Corporate Risk Management Committee : 5  
(times)

List of Directors	Meeting attendance Corporate Risk Management Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. NUTTPASINT CHET-UDOMLAP (The chairman of the subcommittee)	5	/	5
2 Mr. NARONG JENNARONGSAK (Member of the subcommittee)	5	/	5

List of Directors	Meeting attendance Corporate Risk Management Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
3 Mr. PHONGSAK SIRICUPTA (Member of the subcommittee)	5	/	5
4 Mr. PAITON GUMCHAI (Member of the subcommittee)	5	/	5
5 Mr. SOMPONG PONGSAKULRANGSRI (Member of the subcommittee)	5	/	5
6 Mr. MANOON MANUSOOK (Member of the subcommittee)	5	/	5

## The results of duty performance of Corporate Risk Management Committee

Mr. Nattawat Wansuthant, the Assistant Managing Director of Risk Management, serves as the secretary of the Nomination and Compensation Committee.

In 2024, the Enterprise Risk Management Committee held 4 meetings and held 1 joint meeting with the Audit Committee. The Audit Committee reviewed the risk management system through the evaluation of the internal control system, which oversees various risks, especially the risks related to financial reporting and compliance with applicable laws, to ensure their adequacy and appropriateness. Meanwhile, the Enterprise Risk Management Committee's role was to assess the risks faced by the Demco Group and develop a system to manage those risks.

Additionally, there was an exchange of information and feedback on the issues that each committee member considered important. The key points of the work performed in 2024 can be summarized as follows:

1. Approved the Enterprise Risk Management Plan for 2024 to ensure that the Demco Group consistently and effectively manages its risks.
2. Reviewed, filtered, and monitored the implementation of the Enterprise Risk Management Plan for 2024, while providing recommendations on risk management approaches.
3. Reviewed the risk management policy and the Enterprise Risk Management Committee Charter for 2024.
4. Reviewed the Business Continuity Plan (BCP) and provided suggestions for plan rehearsals by simulating a crisis event (fire) for 2024.
5. Approved the risk management manual for projects.
6. Provided recommendations on the development of knowledge related to risk management to increase understanding of risk management and support the creation of a risk-aware culture.
7. Supported the development of a risk management culture and communication within the organization through the risk management department.

In summary, the Enterprise Risk Management Committee of the Demco Group is dedicated and committed to continuously improving the risk management framework, processes, risk management manuals, and related guidelines to stay updated with changing circumstances. This will ensure that the Demco Group can effectively manage key risks, emerging risks, and emergency/crisis risks, keeping them at an acceptable level while communicating the risk management practices to stakeholders, ensuring the achievement of the group's business objectives.

## Meeting attendance Investment Committee

The Board of Directors of Demco Public Company Limited (Demco) recognizes the importance and benefits of the fundamental principles of good corporate governance. One of the practices focuses on ensuring the financial credibility of the Demco Group by establishing measures to monitor the sufficiency of liquidity in its operations. This includes mechanisms to detect early signs of potential financial problems and having appropriate and timely plans to address them, all aligned with the organization's vision, mission, and goals.

When considering the investment plans of the Demco Group, the board takes into account the feasibility of investment projects,



the expected return on investment, and the adequacy and allocation of the group's funding sources, within the framework of the investment policy, risk management policy, and investment procedures. Additionally, the board adheres to the regulations set by the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), and relevant laws.

This approach is designed to ensure that stakeholders can reasonably trust that the operations of the Demco Group are aimed at achieving the objectives and goals effectively, efficiently, and sustainably.

To support the Board of Directors in this regard, an Investment Committee has been established to review investment plans in accordance with the investment policy, monitor the progress of investment activities, and manage the financial and liquidity aspects of the Demco Group.

It seems like you're about to provide a list of members of the Investment Committee and their attendance at meetings between January 1, 2024, and December 31, 2024.

Meeting Investment Committee (times) : 6

List of Directors	Meeting attendance Investment Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. ORAND PUIPUNTHAVONG (The chairman of the subcommittee)	6	/	6
2 Mr. PRIN BHOLNIVAS (Member of the subcommittee)	6	/	6
3 Mr. SOMPONG PONGSAKULRANGSRI (Member of the subcommittee)	6	/	6
4 Mr. NUTTPASINT CHET-UDOMLAP (Member of the subcommittee)	5	/	6
5 Mr. PHONGSAK SIRICUPTA (Member of the subcommittee)	6	/	6
6 Mr. PAITON GUMCHAI (Member of the subcommittee)	6	/	6

## The results of duty performance of Investment Committee

Ms. Sarinya Chimwai, the Manager of the Managing Director's Office, serves as the secretary of the Investment Committee.

In 2024, the Investment Committee held 6 meetings. The committee members attended the meetings and performed their duties as outlined in the Investment Committee Charter of the Demco Group. The committee reported the progress to the Board of Directors, and the key points of their work are as follows:

1. Monitored the liquidity of the Demco Group's operations, including the development of appropriate liquidity management plans for operations and investments.
2. Tracked the performance of the Demco Group in accordance with the strategic plan and quarterly financial projections, offering recommendations for corrective actions and improvements to enhance operational efficiency and effectiveness.
3. Reviewed and adjusted the 2024 work plan and budget to align with the economic environment, risk factors, operational results, and the financial status of the Demco Group before presenting them for approval by the Board of Directors.
4. Reviewed and scrutinized the strategic plan and financial projections for 2025–2027 to ensure they align with the Demco Group's strategy.
5. Screened investment projects proposed by management to ensure they align with the vision, policies, and objectives of the Demco Group's investment plan, taking into account the expected return on investment, associated risks, and ensuring that risk management is at an acceptable level.
6. Monitored the progress, provided oversight, and evaluated the performance of approved investment projects, reporting findings to the Board of Directors.

7. Reviewed and scrutinized policies and practices related to investments and finance before presenting them for approval by the Board of Directors.

The Investment Committee is dedicated to supporting the Board of Directors in reviewing strategic plans, investment projects, financial management, and resource allocation, ensuring effective tracking of plans and performance. This helps to enhance management capabilities and competitiveness, improve operational efficiency, and increase the long-term value of the business.

## Meeting attendance Corporate Governance and Sustainability Committee

The Corporate Governance and Sustainability Committee ("the Committee") was established according to the resolution of the Board of Directors to support the operations of the Board within the scope of authority, duties, and responsibilities as outlined in the Committee's charter. The Committee's primary goal is to promote and elevate the standards of corporate governance practices and to ensure sustainable business operations. It focuses on considering the interests of stakeholders across the entire value chain of the business and encourages Demco Group to prioritize addressing business risks across environmental, social, and governance dimensions. Furthermore, the Committee supports the disclosure of corporate governance information and the development of sustainable business practices to reflect the true value and worth of Demco Group.

In 2027, the Corporate Governance and Sustainability Committee reviewed policies and practices to align with the principles of good corporate governance and the evolving business context. The goal was to strengthen and oversee processes that drive the company toward sustainability at the organizational level. This ensures that the company's direction and strategy are fully integrated with key sustainability issues (Materiality) and provide a clear path toward sustainable development.

All levels of personnel, from the board of directors, executives, to employees, are actively involved in moving the business forward and achieving sustainable growth. This collective effort ensures stakeholders can trust that the company operates on a strong foundation of good corporate governance, maintains its competitive advantage, and develops growth potential. Despite the changing business environment, the company remains committed to sustainable operations, taking into account environmental, social, and governance (ESG) factors at all times.

The list of members of the Corporate Governance and Sustainability Committee and the meetings held from January 1, 2024, to December 31, 2024, is as follows:

Meeting Corporate Governance and : 5  
Sustainability Committee (times)

List of Directors	Meeting attendance Corporate Governance and Sustainability Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. MANOON MANUSOOK (The chairman of the subcommittee)	5	/	5
2 Mr. AMNUAYCHAI SUWANSOONTORN (Member of the subcommittee)	5	/	5
3 Mr. BUNDIT AOWSATHAPORN (Member of the subcommittee)	5	/	5
4 Mr. NARONG JENNARONGSAK (Member of the subcommittee)	5	/	5
5 Mr. PHONGSAK SIRICUPTA (Member of the subcommittee)	5	/	5

## The results of duty performance of Corporate Governance and Sustainability Committee

Ms. Woruedee Suvanpan, Deputy Managing Director of the Audit Office, serves as the Corporate Governance Secretary, and Ms. Sirinya Chimwai, Manager of the Managing Director's Office, serves as the Sustainability Secretary.

In 2024, the Corporate Governance Committee reviewed policies and practices to align with good corporate governance principles

and the evolving business context, aiming to strengthen the governance system and support the business growth of Demco Group towards sustainable development at the organizational level. The committee focused on integrating key sustainability issues (Materiality) into the group's operations, under clear policies and strategies. The company promoted the participation of personnel at all levels, from the board of directors and executives to employees, in driving the business based on good corporate governance practices to build stakeholder confidence, enhance competitive capabilities, and ensure steady growth. Even amid a constantly changing business environment, the group remained committed to conducting business with a continuous focus on environmental, social, and governance (ESG) aspects. In the past year, the Corporate Governance Committee held a total of 5 meetings to review and monitor progress in corporate governance operations, regularly reporting outcomes and providing feedback to the board of directors. The key points of the committee's activities are as follows:

#### 1. Corporate Governance

In terms of corporate governance, the committee supported the board of directors' operations according to their powers and responsibilities outlined in the board charter and the Corporate Governance Committee's charter. The committee also reviewed policies and practices related to good corporate governance and social responsibility. It ensured that the company's operations complied with relevant regulations and laws to uphold governance standards in line with international norms, covering economic, social, and environmental aspects, leading to integrated sustainable development.

1.1 The committee reviewed the approach for organizing the 2024 Annual General Meeting of Shareholders (AGM) to align with the prevailing situation and proposed it to the board. Demco held the AGM on April 29, 2024, via electronic media ("E-AGM") at Demco's meeting room, in compliance with the Emergency Decree on Electronic Meetings B.E. 2020 and relevant laws.

Demco continued to adhere to the principle of ensuring that shareholders have their legal rights concerning the AGM and good corporate governance practices, including the opportunity for shareholders to propose individuals for board selection, suggest AGM agendas, and submit questions in advance between October 1, 2023, and December 30, 2023. No proposals were received by the end of the submission period. Demco received an excellent quality evaluation of the AGM organization from the Thai Investors Association, scoring 98%.

1.2 The committee reviewed the company's business ethics and code of conduct and updated key policies and practices related to governance and operations to comply with the 2017 CG Code for listed companies from the Securities and Exchange Commission ("SEC") and the 2024 Corporate Governance Report (CGR) guidelines.

1.3 The committee reviewed and suggested improvements to the charters, including recommendations for enhancing subcommittee charters to align with the SEC's 2017 CG Code for listed companies.

1.4 The committee monitored Demco's annual corporate governance assessment in 2024 by the Thai Institute of Directors (IOD), where Demco received an "Excellent" rating, the highest level, for the 9th consecutive year, and provided advice on improving operations to meet the standards.

1.5 The committee monitored reports on stakeholder suggestions and complaints regarding corporate governance. There were no complaints in 2024.

1.6 The committee ensured the board's performance was evaluated, including the evaluation of the full board, individual directors, and all subcommittees. The results were reported to the board and used to improve the effectiveness of the board and its subcommittees. The evaluation results were disclosed in the 2024 56-1 One Report.

#### 2. Anti-Corruption and Bribery

2.1 The committee ensured adherence to the anti-corruption and anti-bribery policies and guidelines. In 2024, no corruption or bribery complaints were reported.

2.2 The committee provided advice and monitored the implementation of the CAC project, in which Demco has been certified since 2015 and received membership renewal for the second time.

#### 3. Promoting and Governing a Culture of Good Governance

The board recognized the importance of organizational culture, which plays a vital role in shaping employee behavior and reflecting Demco's image. In 2024, the Corporate Governance Committee monitored the implementation of the 2025 guidelines, which include the following:

1. Manual for promoting organizational culture

2. Best practices for the board, executives, and employees to foster and maintain an organizational culture for sustainable business development

3. Best practices for the sustainability team to maintain Demco's culture

4. Best practices for maintaining the board's culture and assessing its effectiveness to ensure ongoing cultural development.

4. Sustainability

In 2024, the Corporate Governance Committee monitored and supported the process of driving the business towards sustainability at the organizational level. This ensured that Demco's business operations were aligned with key sustainability issues (Materiality)

and had clear pathways for sustainable development. Personnel at all levels, from directors and executives to employees, participated in driving business continuity. This reassured stakeholders that Demco's operations were based on an integrated approach to GRC (Governance, Risk, and Compliance), maintaining competitiveness and growth potential despite the changing business environment. As a result of the commitment to sustainability, Demco received the Stock Exchange of Thailand's ESG Rating for three consecutive years and won the Sustainability Disclosure Award 2024 from the Thai Development Institute for the fifth consecutive year.

Additionally, the Corporate Governance Committee promoted the implementation of the guidelines for managing and governing sustainable business practices, which include:

1. Guidelines for managing IT governance and IT risk management
2. Best practices for the board, executives, and employees in IT governance
3. Best practices for emerging risk governance
4. Best practices for climate-related risk governance
5. Best practices for managing ESG, climate change, and climate governance to ensure the company's operations align with the changing context.

The Corporate Governance Committee has diligently performed its duties as per its charter, providing independent, transparent, and thorough feedback to benefit Demco, shareholders, investors, and all stakeholders. It is committed to ensuring equity and fairness according to good governance principles and advancing Demco towards sustainable development with a focus on environmental, social, and governance (ESG) issues.

## 9. Internal control and related party transactions

### 9.1 Internal control

#### 9.1.1 Adequacy and appropriateness of the company's internal control system

Company's internal control system : The Committee of Sponsoring Organizations of the Treadway Commission (COSO)

##### The Committee of Sponsoring Organizations of the Treadway Commission (COSO)

The Board of Directors places importance on the internal control system, risk management, and internal audit. The Board of Directors has assigned the Audit Committee, which consists of 3 independent directors, to oversee and regularly review the company's internal control and risk management systems to ensure their adequacy and effectiveness in accordance with the Corporate Governance (CG) framework and anti-corruption and bribery measures in line with the principles of the Collective Action Coalition Against Corruption (CAC), of which DEMCO has been certified since 1966 to the present. This is based on the Internal Control Integrated Framework (COSO: 2013) and the Principles of Good Corporate Governance for Listed Companies 2017, according to the elements of internal control, to help DEMCO achieve its key objectives in terms of operations, financial reporting, and compliance with relevant laws and regulations. It can support and improve operational processes and protect shareholder investments and company assets.

The units under the Audit Office, consisting of the Internal Audit Unit and the Compliance and Monitoring Unit, are responsible for auditing and reviewing various operating systems, reporting directly to the Audit Committee, to ensure that operations are effective and efficient, and that the company's resources are used cost-effectively. This includes control over operations and financial reporting that is accurate, complete, reliable, and timely, as well as compliance with DEMCO's rules, regulations, company policies, and the requirements of relevant laws and regulations. The effectiveness of the internal control system is regularly reviewed to ensure that operations are in line with objectives and maximize benefits in a constantly changing environment, based on the fairness of the interests of all stakeholders.

In assessing the internal control system in 5 areas: internal control, risk assessment, control activities, information and communication systems, and monitoring and evaluation, the Audit Committee is of the opinion that DEMCO's internal control system is adequate and appropriate. DEMCO has allocated sufficient personnel to effectively implement the system, as well as appropriate and rigorous internal controls over the monitoring and supervision of subsidiaries and transactions with potentially conflicting and related parties.

In addition, in the audit of the financial statements of DEMCO Group for the fiscal year ending December 31, 2024, the auditor, in accordance with auditing standards, applied professional judgment and skepticism throughout the audit, including identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures to respond to those risks, and obtaining sufficient appropriate audit evidence to provide a basis for the auditor's opinion. Based on the auditor's procedures, the auditor expressed an unqualified opinion on the financial statements.

In 2024, the implementation of the 5 main components of COSO, consisting of 17 principles, is as follows:

##### 1. Control Environment

**1.1 The organization demonstrates a commitment to the values of integrity and ethics.** DEMCO is committed to the values of integrity and ethics. The Board of Directors has established a corporate governance policy, a code of business conduct, and an anti-fraud, corruption, and bribery policy to ensure that directors, executives, and employees at all levels adhere to morality, ethics, honesty, integrity, accountability, and conduct business with transparency, fairness, and in accordance with the law, based on the shared interests of customers, communities, society, and the environment. DEMCO's executives operate in accordance with good corporate governance policies and other policies established by DEMCO. They serve as good role models and adhere to the guidelines or practices set forth in DEMCO Group's Code of Ethics and Conduct and other relevant operating manuals. Internal communication is also provided to ensure that personnel are aware of and consistently comply with these policies. Senior management demonstrates good role modeling by announcing a No Gift Policy during the New Year's holiday season to ensure that DEMCO operates appropriately and in accordance with the anti-fraud, corruption, and bribery policy, as well as the Principles of Good Corporate Governance for Listed Companies 2017, by establishing guidelines on conflicts of interest, providing channels for reporting fraud, and regularly reviewing corporate governance policies.

**1.2 The Board of Directors is independent from management and is responsible for overseeing and developing internal control operations.** The roles and responsibilities of the Board of Directors are clearly independent from management. The Board of

Directors consists of 53% independent directors with diverse qualifications, knowledge, abilities, and experience that are beneficial to the company, and who meet the qualifications of the SEC. The Board of Directors has established policies and operational plans that are consistent with and in accordance with national strategies, legal frameworks and regulations, regulatory agencies, and shareholder resolutions to ensure effective and efficient corporate governance. The Board of Directors has appointed an Audit Committee, a Nomination and Remuneration Committee, a Corporate Governance and Sustainability Committee, an Investment Committee, and a Corporate Risk Management Committee to assist the Board of Directors in overseeing the overall management of various aspects of the business in accordance with established policies and reporting the results to the Board of Directors on a quarterly basis.

**1.3 The Board of Directors and management shall establish a clear and appropriate reporting structure, authorization of command**

, **and responsibilities to enable the organization to achieve its objectives under the supervision of the Board of Directors.** DEMCO regularly reviews and improves its management structure by clearly defining roles and responsibilities, knowledge, abilities, and experience appropriate to the positions of the Board of Directors, subcommittees, and management. The charters of the Board of Directors and subcommittees are regularly updated and reviewed to ensure their relevance and consistency with their roles, missions, and business operations under current changing circumstances, with an emphasis on creating balance, prudence, and agility in operations to prepare for change and business expansion.

**1.4 Committed to motivating, developing, and retaining talented personnel.** DEMCO places importance on the development and retention of its personnel. The company has established training and development plans for each position to develop the knowledge and skills necessary to perform their duties, missions, and core responsibilities, or in changing circumstances. There are annual training plans and plans by position, both in terms of Hard Skills and Soft Skills. The company also encourages employees to learn through online seminars and classroom learning, promoting knowledge both in theory and through real-life case studies. Practical training is provided to allow employees to learn and participate in activities together. The company plans and prepares for Succession Planning to maintain the continuity and capabilities of personnel in key positions within the organization and supports employee career growth. It creates success and organizational pride for employees. The company also establishes a clear performance evaluation process and fair compensation to motivate and retain personnel.

**1.5 The organization assigns all positions with duties and responsibilities for internal control to achieve its objectives.**

DEMCO has established an organizational structure and defined authority, responsibilities, and accountabilities by position to ensure that all positions are accountable for the internal control system. This is done by defining Job Descriptions, Procedure Manuals, Risk Management Manuals, risk reporting, and action plans for all operational activities. The results are reported to management meetings, the Corporate Risk Management Committee, and the Audit Committee. The company also operates through the ISO

9001:2015 quality management system process and performance evaluations.

**2. Risk Assessment**

**2.1 A The organization sets clear and sufficient objectives to enable the identification and assessment of various risks related to achieving the organization's objectives.** DEMCO places importance on risk management by establishing a Risk Management Committee and a risk management policy at both the organizational and operational levels. Under the supervision of the Corporate Risk Management Committee and the coordination of the risk management team, clear objectives are set for risk assessment. These risks may arise from the nature of the organization's work or activities that are not covered by existing internal controls or cannot prevent errors in operations, including non-compliance with internal controls. The causes of risks may arise from internal and/or external factors. For accounting operations, clear objectives and procedures are defined to ensure that financial reporting complies with financial reporting standards, covering all three objectives of internal control: operations, reporting, and compliance with relevant laws and regulations. The Board of Directors has assigned the Audit Committee to perform the following functions: screening the organization's Enterprise Risk Management Framework, including Risk Appetite, Risk Capacity, and Tolerance, as well as overall risk management guidelines, and reviewing the adequacy of the risk management policy, which is defined by the Corporate Risk Management Committee before presenting it to the Board of Directors. It is also responsible for screening and advising the Board of Directors on overall risk oversight and assessing the adequacy and appropriateness of strategic risk management.

**2.2 The organization identifies and analyzes all types of risks that may affect the achievement of its objectives comprehensively throughout the organization.** DEMCO identifies, analyzes, and manages risks that may arise from the nature of work or activities that may result in errors, damage, or failure to achieve established objectives. This includes risks to assets that need to be maintained or protected, as well as risks to work processes that must deliver goods and services to customers, to ensure that internal controls can control vulnerabilities to an acceptable level, in accordance with good practices.

**2.3 Consider the possibility of fraud in assessing the risk of achieving the organization's objectives.** DEMCO uses the internal

control system as a tool to prevent the risk of fraud by setting control points in activities with risk factors to identify measures to prevent weaknesses in work processes or issues where there is a risk of fraud, as well as the impact of the risk. It also includes identifying the causes of risk factors, which leads to the development and improvement of work processes.

2.4 Identify and assess changes that may affect the internal control system. DEMCO identifies and assesses risks from internal and external factors that change and affect business strategies and objectives, categorized into 7 areas:

- 1) Strategic Risk
- 2) Financial, Accountancy, and Budgeting Risk
- 3) Operation Risk
- 4) Compliance Risk
- 5) Emerging Risk
- 6) Sustainable Risk
  - 6.1. Environmental Risk
  - 6.2. Social Risk
  - 6.3. Governance Risk
- 7) Emergency and Crisis Risk

The criteria for determining the significance of risks after identifying risk factors will consider the assessment of the likelihood and severity of the risk. Management prioritizes high-severity risks by ranking the significance of risks and defining control activities to manage or mitigate risks to an acceptable level within the risk management framework. The company continuously monitors and follows up on internal control improvement plans/additional management plans or when circumstances change.

### 3. Control Activities

**3.1 There are control measures or activities that help reduce risks to an acceptable level.** DEMCO requires all departments to develop Action Plans for activities that have been assessed as having risks at all levels to reduce the likelihood of risks arising from work processes by designing internal control activities that are appropriate to the level of risk. For example, activities with a high-risk assessment need to have internal control improvement plans/measures defined as a priority. These plans must be consistent with the causes of the risks, appropriate for the business, and cost-effective compared to the benefits received, and consistent with the basic methods of risk management. The company also defines the authorization levels for reporting by management at each level, combining control activities, segregation of duties, record keeping, approvals, and asset management for mutual verification. Policies, procedures, and work practices are regularly reviewed and updated as appropriate.

**3.2 Select and develop general control activities with technology systems.** DEMCO has controls in accordance with the general control principles of information systems, which comply with the Information Technology Security Governance Policy and the Network and Computer Use Policy, as well as the Personal Data Protection Policy, which all employees must comply with when using the company's computer system and must keep company information confidential. The company has also implemented an Enterprise Resource Planning (ERP) system to enhance the efficiency of its operations. This serves as a guideline for controlling information technology and communication operations in accordance with information technology laws, company rules and regulations, or relevant regulatory agencies. It also builds confidence in the security of the information technology system. The company has a plan to prevent and mitigate damage to the main system, with preventive maintenance at scheduled intervals, testing the system's availability between the main computer center and the backup computer center, and preparing for Cyber Attack threats. In 2023, DEMCO appointed a Personal Data Protection Management working group, with a term of 4 years from April 3, 2023, to April 3, 2027, to communicate and monitor compliance with DEMCO Group's personal data protection policy.

**3.3 Provide control activities through policies that define expectations and procedures to ensure that established policies are put into practice.** Defining control activities in accordance with DEMCO's objectives to ensure that personnel at all levels are aware of the steps involved in performing tasks with significant risks and the steps involved in performing tasks where risks may occur to prevent or mitigate risks from risk assessments that affect the achievement of one or more internal control objectives. All personnel involved are aware of and understand the objectives of the control activities as defined by the organization. Communication is provided to enable employees to see the risks that may arise in performing their duties to achieve their objectives. There is a segregation of duties and assignment of personnel to perform key tasks at each stage in accordance with the principle of Check and Balance. Management meetings, departmental meetings, etc. are held regularly to monitor operations and control activities.

### 4. Information and Communication

**4.1 Provide relevant and quality information to support the implementation of internal controls as defined.** DEMCO has established an Information Technology Development Department to leverage technology to develop information systems for operations in various processes. The company also has a system for processing information systematically and comprehensively, and can report

information for use in decision-making by executives at all levels accurately, reliably, and in a timely manner.

**4.2 Internal communication, including objectives and responsibilities for internal control, is essential to support the implementation of internal controls as planned.** DEMCO provides effective internal communication processes through a variety of appropriate company communication channels, such as email, the company's intranet, bulletin boards, and Line groups, to ensure that personnel within the organization receive information and can manage it in the same direction for success.

**4.3 Communicate with external agencies or individuals on issues that may affect internal control.** DEMCO communicates effectively with external stakeholders through appropriate communication channels for each target group, including customers, business partners, shareholders, investors, regulators, communities, and society, such as communities surrounding the company's locations. The company regularly participates in various community activities to build good relationships and create understanding about DEMCO's operations. For investors and shareholders, DEMCO regularly discloses information about its operations and status on a quarterly basis through the company's website and the Stock Exchange of Thailand's disclosure channels, including reporting at the Stock Exchange of Thailand's Opportunity Day events, in which the company participates on a quarterly basis.

## 5. Monitoring

### 5.1 Monitor and evaluate internal controls to ensure that internal controls are still operating completely and appropriately.

DEMCO assigns management and department heads to define mechanisms for monitoring the effectiveness of internal controls, such as follow-up meetings, reviewing abnormal data, and Control Self-Assessment. The Internal Audit Department, an independent unit within the company, and the external independent auditor are responsible for reviewing, auditing, and monitoring compliance with the internal control system to ensure that risk prevention is carried out in accordance with the established internal control processes, including compliance with business ethics and regulations that may give rise to conflicts of interest. It also encourages staff in the Audit Office to perform their duties in accordance with international standards and the Code of Ethics for Internal Audit Professionals. The audit report is submitted directly to the Audit Committee, which reports its performance to the Board of Directors and holds regular quarterly meetings with the auditors to assess the adequacy and effectiveness of the internal control system.

**5.2 Evaluate and communicate internal control deficiencies in a timely and appropriate manner to responsible parties, including senior management and the Board of Directors, as appropriate.** DEMCO has established the Internal Audit Department as an independent unit, and the external independent auditor is responsible for providing assurance and objective advice, assessing the adequacy and effectiveness of the internal control system, risk management system, corporate governance system, business ethics, and anti-corruption measures according to the audit plan. They communicate material weaknesses, including risks arising from weaknesses in internal controls or from changes in the environment, and propose solutions to relevant parties for timely remediation. The results of the audit are reported to the Audit Committee. The company also monitors the remediation and reports on the progress of the audit on a quarterly basis. In addition, DEMCO has established a requirement to report to the regulator immediately in the event of fraud, suspected fraud, or non-compliance with rules, regulations, and other acts that may have a material impact on the organization.

Details of risk management are disclosed in Part 1, Item 2. Risk Management. In addition, the company has an internal control and risk management policy, as well as a risk management manual, available on the company's website. For more information, please visit [www.demco.co.th](http://www.demco.co.th) Under the Good Corporate Governance category,

## 9.1.2 Deficiencies related to the internal control system

	2022	2023	2024
Total number of deficiencies related to the internal control system (cases)	0	0	0

## 9.1.3 Opinions of the audit committee and auditor's observations on internal control

Does the audit committee have opinions on internal control : No  
different from the board of directors' opinions?

Does the auditor have any observations on the company's : No  
internal control?



#### 9.1.4 Opinions of the audit committee on the position of the head of the internal audit unit

Head of the internal audit unit : Internal personnel

The Audit Committee appointed Ms. Wannarudee Suwanpan, Deputy Managing Director, as the Chief Audit Executive and appointed Ms. Boonluck Chompao, Internal Audit Manager, as the secretary of the Audit Committee and the Head of Internal Audit to support the Audit Committee in performing its duties effectively. The Audit Committee is of the opinion that the Head of Internal Audit is qualified for the position.

#### 9.1.5 Appointment, discharge, and transfer of the head of the internal audit unit

Does the appointment, discharge, and transfer of the head of : Yes  
the internal audit unit require the audit committee approval?

The appointment, transfer, or termination of the head of the internal audit unit and any other units under the internal audit unit shall be approved by the audit committee.

## 9.2 Related party transactions

Transactions between DEMCO or its subsidiaries with persons who may have a conflict of interest or related persons must comply with relevant announcements and regulations and be subject to reasonable terms or normal commercial terms or market prices, deemed to be transactions with outsiders (at arm's length basis), as well as reporting such intercompany transactions to the Audit Committee on a quarterly basis. **Measures or procedures for approving transactions with related parties of DEMCO or persons who may have a conflict of interest or related persons.**

DEMCO has measures to protect shareholders by establishing control measures for transactions between DEMCO or its subsidiaries with persons who may have a conflict of interest, have a stake, or may have a conflict of interest in the future according to the announcement of the Securities and Exchange Commission of Thailand. DEMCO will have the Audit Committee provide opinions on the necessity, reasonableness, and appropriateness of the price of the transaction by considering various conditions to comply with the nature of normal business practices in the market and comparing prices with outsiders. In the event that the Audit Committee does not have expertise in considering intercompany transactions that may occur, the Company will have a qualified person, such as an auditor, property appraiser, etc., who is independent from the Company and the person who may have a conflict of interest, provide an opinion on such intercompany transactions for use in the Audit Committee's decision-making so that the Audit Committee can present it to the Board of Directors or shareholders for approval as the case may be.

In addition, DEMCO has established measures to prevent executives or interested parties from participating in the approval of transactions in which they have a direct or indirect interest, and the Board of Directors will ensure that DEMCO complies with the Securities and Exchange Act and the rules, announcements, orders, or regulations of the Stock Exchange of Thailand, including compliance with the rules on disclosure of connected transactions and the acquisition or disposal of major assets of DEMCO or its subsidiaries, as well as strict compliance with accounting standards prescribed by the Thai Listed Companies Association and accounting standards prescribed by the Association of Certified Accountants. Intercompany transactions will be disclosed in the notes to the financial statements audited or reviewed by the Company's auditor and disclosed in the annual information form. DEMCO's future intercompany transactions will be conducted in the ordinary course of business, using a buy-sell negotiation policy based on market prices in the business, without any transfer of benefits between DEMCO and related businesses or individuals.

For the fiscal year ended December 31, 2023, the Company and its subsidiaries had transactions with related parties, which the Company's auditor disclosed in the notes to the audited financial statements, and the Audit Committee reviewed and was of the opinion that all intercompany transactions were reasonable and conducted in the ordinary course of business. The Company has set the purchase-sale prices of goods and services with related parties at reasonable prices, comparing them with prices and having terms and conditions in accordance with normal business practices. The details are as follows:

### Related party transactions

Does the company have any related party transactions? : Yes

#### 9.2.1 - 9.2.2 Names of the group of persons who may have a conflict of interest, nature of relationship, and information on related party transactions

Summary of transactions between Demco and Demco Group or persons with potential conflicts of interest that occurred in 2022 - 2023. Demco has conducted transactions with persons with potential conflicts of interest as follows:

## Persons/entities with potential conflicts

Name of person or entity/type of business	Nature of relationship	Information as of date
Demco Energy & Utility Public Company Limited ("DEU") Business operations include the manufacturing and installation of steel structures for buildings and factories. We also manufacture and distribute pressure vessels for industrial plants, power plants, and petrochemical plants. Finally, we design, supply, and install telecommunications equipment and systems.	a subsidiary in which DEEMCO holds 100% of the shares and has directors from DEEMCO. 1. Mr. Pongsak Sirikupt is a director of DEU,	31 Dec 2024
Demco Power Public Company Limited ("DP") Business operations: Manufacturing and distribution of metal structures, sales of electrical and communication systems, and construction materials	DP is a subsidiary, which Demco holds 100% of the shares and has a director from Demco. 1. Mr. Pongsak Sirikoon 2. Ms. Ratchaneewipa Puipanthawong is a director of DP.	31 Dec 2024
Demco Public Company Limited ("DDL") Water production and distribution	DDL is a subsidiary in which DEMCO holds 100% of the shares (adjusted to 100% on March 18, 2019). and Mrs. Ratchaneewipa Pooyabandhuwong, a director of DEMCO. as Chairman of the Board of Directors.	31 Dec 2024
Frasers Property Industrial REIT Management Company Limited Business Operations: Electricity Generation and Distribution	DP6 is a jointly controlled company, which Demco Public Company Limited holds 49% of the shares. and the Chief Executive Officer of Demco's Innovation Engineering and Operations Business, Mr. Prasitchai Virayuttawilai, is a director of DP6.	31 Dec 2024
Frasers Property Industrial (Thailand) Company Limited ("FPIT") Business Operations: Electricity Generation and Distribution	DP11 is a jointly controlled company, which Denko Co., Ltd. Holds a 49% stake. and has Denko's President of Innovation Engineering and Operations, Mr. Prasitchai Veerayuthvilai, as a director of DP11.	31 Dec 2024
Udon Thani Solar Power Company Limited Operate the business of producing and distributing electricity from solar power plants	Udon Thani Solar Power Company Limited is a joint venture company in which DEMCO holds a 45.71% stake, and Mr. Suchart Korkunakorn, Deputy Managing Director of DM's Engineering Group, serves as a director of Udon Thani Solar Power Company Limited.	31 Dec 2024

Name of person or entity/type of business	Nature of relationship	Information as of date
Indochina Green Energy Company Limited Electricity generation and distribution from solar power plants	Indochina Green Energy Co., Ltd. is a joint venture in which DEMCO holds a 45.71% stake, and Mr. Suchart Korkoonakorn, Deputy Managing Director of DM's Engineering Group, is a director of Indochina Green Energy Co., Ltd.	31 Dec 2024
Mekong Green Power Company Limited Electricity generation and distribution from solar power plants	Mekong Green Power Company Limited is a joint venture in which DEMCO holds a 45.71% stake, and Mr. Suchart Korkoonakorn, Deputy Managing Director of Engineering Group of DM, is a director of Mekong Green Power Company Limited.	31 Dec 2024
Sustainable Energy Corporation Limited Engaging in joint ventures with other companies in the electricity generation and distribution business.	Demco holds 19.69 million shares, representing a 12.87% stake.	31 Dec 2024
The Joint Venture of Denso and Maxens ("DMAX") Business, Outsourcing, and Construction	DMAX is a joint venture in which Denso holds a 51% stake, with Denso's President, Mr. Pongsak Sirikovit, and Assistant Managing Director, Mr. Paithoon Kamchai, serving as DMAX's board members.	31 Jan 2025
The Joint Venture of Demco Public Company Limited and Alternative Engineering Service Public Company Limited ("DASE") Construction contracting and sales of chimney inspection equipment	DASE is a joint operation company in which DEMCO holds a 51% stake. DEMCO's Chief Executive Officer, Mr. Pongsak Sirikoonpisut, and Executive Vice President, Mr. Paithoon Kamchai, are on the board of directors of DASE.	31 Dec 2024
Sabayoi Public Company Limited ("SBY") Business Operations, Electricity Generation and Transmission	SBY is a subsidiary, in which DEMCO holds 100% of the shares, and has Ms. Ratchaneewipa Puipanthawong, Chief Strategy and Business Development Officer, and Mr. Monphat Asavakij, Assistant Managing Director of DEMCO, as its directors.	31 Dec 2024

## Details of related party transactions

Related party transactions	Transaction value at the end of the fiscal year (baht)		
	2022	2023	2024
Demco Energy & Utility Public Company Limited ("DEU")			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Lender  <u>Details</u>  Promissory note for a loan of 29,000,000.00 Baht obtained by Demco from DEU on July 31, 2023, with an annual interest rate of 0.75 percent, payable on demand.  <u>Necessity/reasonableness</u>  As DEU had cash on hand and no immediate business plans at that time, and DEMCO's financing costs would be higher if borrowing externally due to loan obligations and financial expenses.  <u>Audit committee's opinion</u>  null	29,000,000.00	29,000,000.00	29,000,000.00
<b>Transaction 2</b>  <u>Nature of transaction</u>  Interest Paid  <u>Details</u>  Interest paid on a loan from DEU to Demco. The loan, totaling 29,000,000.00 Baht, was acquired on February 1st, 2023, with an annual interest rate of 0.55%.  <u>Necessity/reasonableness</u>  Calculate interest at a rate no lower than the interest rate on fixed deposit accounts. The interest rate will be reviewed and adjusted every time the bank changes its interest rate, referring to the Revenue Department's discussion No. Kor. 0702/8010 dated September 4, 2013.  <u>Audit committee's opinion</u>  null	196,445.20	312,047.94	285,828.79
<b>Transaction 3</b>  <u>Nature of transaction</u>  Other Income  <u>Details</u>	333,333.00	163,062.48	146,019.98

Related party transactions	Transaction value at the end of the fiscal year (baht)		
	2022	2023	2024
<p>1) Rental income from office buildings and warehouses, with contracts commencing from November 11, 2022.</p> <p>2) Service fees (Share Service Agreement) from November 1, 2027, to December 31, 2027.</p> <p>3) Fee income from credit line guarantees provided to financial institutions.</p> <p><u>Necessity/reasonableness</u></p> <p>As DEU's office is located in the same premises as DEMCO, including the utilization of DEMCO's support team, rental and service fees for support services are charged on a monthly basis. Revenue from credit line guarantee fees from financial institutions is determined by referencing the market fee rate of financial institutions for guarantee services.</p> <p><u>Audit committee's opinion</u></p> <p>null</p>			
Demco Power Public Company Limited ("DP")			
<p><b>Transaction 1</b></p> <p>0.00</p> <p>0.00</p> <p>163,869.04</p> <p><u>Nature of transaction</u></p> <p>Interest Received</p> <p><u>Details</u></p> <p>Interest income on short-term loans from Denso for working capital purposes, which were repaid in 2023.</p> <p><u>Necessity/reasonableness</u></p> <p>As the DP funds could not be withdrawn according to the terms, we borrowed from DM in advance. The interest rate is based on the average interest rate of short-term loans (excluding overdraft) that Demco borrowed from financial institutions. The interest rate is calculated based on the intercompany loan rate between Demco and its subsidiaries, associates, and joint ventures, which is set at MLR+1.</p> <p><u>Audit committee's opinion</u></p> <p>null</p>			
<p><b>Transaction 2</b></p> <p>5,801,817.85</p> <p>6,921,312.87</p> <p>4,487,292.89</p> <p><u>Nature of transaction</u></p> <p>Other Income</p> <p><u>Details</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (baht)		
	2022	2023	2024
<p>1) Rental income from office buildings, warehouses, and forklift rentals. Demco calculates rental fees based on market prices, including utilities.</p> <p>2) Freight income</p> <p>3) Guarantee fee income from financial institutions</p> <p>4) Service Fee (Share Service Agreement) October 2024 - December 2024</p> <p><u>Necessity/reasonableness</u></p> <p>As DP's office is located in the same premises as Demco, including the utilization of Demco's support team, rental and service fees for support services are charged on a monthly basis. The guarantee fee revenue from financial institutions for credit facilities is determined by referencing the market fee rate of financial institutions for providing guarantees based on the outstanding obligations as of the present date. For other general income, the pricing is determined by cost-plus pricing, with conditions equivalent to transactions with external parties.</p> <p><u>Audit committee's opinion</u></p> <p>null</p>			
<p><b>Transaction 3</b></p> <p>11,472,127.70</p> <p>6,707,243.40</p> <p>8,454,725.08</p> <p><u>Nature of transaction</u></p> <p>Purchase Products</p> <p><u>Details</u></p> <p>Purchase of materials and equipment for production and assembly</p> <p><u>Necessity/reasonableness</u></p> <p>DP sets the price based on cost plus profit, with conditions similar to transactions with external parties.</p> <p><u>Audit committee's opinion</u></p> <p>null</p>			
<p><b>Transaction 4</b></p> <p>79,518,890.00</p> <p>50,140,276.69</p> <p>17,672,397.87</p> <p><u>Nature of transaction</u></p> <p>Production cost</p> <p><u>Details</u></p> <p>Price of DP steel pole</p> <p><u>Necessity/reasonableness</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (baht)		
	2022	2023	2024
<p>Pricing is determined by cost plus markup, with terms similar to those for transactions with external parties.</p> <p><u>Audit committee's opinion</u></p> <p>null</p>			
Demco Public Company Limited ("DDL")			
<p><b>Transaction 1</b></p> <p><u>Nature of transaction</u></p> <p>Borrower</p> <p><u>Details</u></p> <p>The company provided a loan of 345 million baht to Demco Delave Co., Ltd. before March 1, 2019, with an interest rate of 4.5% per annum.</p> <p>- On March 1, 2019, the debt was restructured by including the interest accrued between February 18, 2016, and February 28, 2019, amounting to 39.56 million baht, with the principal of 345 million baht, resulting in a total principal of 384.56 million baht.</p> <p>- On January 1, 2024, the debt was restructured by including the interest accrued between March 1, 2019, and December 31, 2023, amounting to 15.83 million baht, with the principal of 384.56 million baht, resulting in a total principal of 400.39 million baht.</p> <p><u>Necessity/reasonableness</u></p> <p>Due to the substantial investment required for the construction of the water treatment plant during the initial phase of the DDL project, borrowing funds from DEMCO became necessary.</p> <p><u>Audit committee's opinion</u></p> <p>null</p>	384,560,697.40	384,560,697.40	400,397,301.85
<p><b>Transaction 2</b></p> <p><u>Nature of transaction</u></p> <p>Interest Received</p> <p><u>Details</u></p>	22,155,962.23	23,807,193.30	11,245,628.75



Related party transactions	Transaction value at the end of the fiscal year (baht)		
	2022	2023	2024
<p>Interest income from loans of Baht 400.39 million with the following interest rates:</p> <ul style="list-style-type: none"> <li>- Interest rate for year 1-22 (January 1, 2024 - December 31, 2048) 1% per annum</li> </ul> <p>The interest income is recognized using an interest rate of 9% per annum in accordance with Thai Financial Reporting Standards No. 9, which is the interest rate for loans from financial institutions in Lao PDR.</p> <p><u>Necessity/reasonableness</u></p> <p>To support the liquidity and enhance the business potential of DDL, a subsidiary, which will benefit the overall operations of the group, an interest rate of 1% is charged.</p> <p><u>Audit committee's opinion</u></p> <p>null</p>			
Fraser's Property Industrial REIT Management Company Limited			
<p><b>Transaction 1</b></p> <p><u>Nature of transaction</u></p> <p>Borrower</p> <p><u>Details</u></p> <p>Promissory notes issued at DP6, borrowed from Demco are as follows:</p> <ul style="list-style-type: none"> <li>- Borrowed on August 27, 2024, amount 90,000.00 baht Interest rate 8.12 percent per annum, due on February 21, 2025</li> <li>- Borrowed on December 7, 2024, amount 340,000.00 baht Interest rate 7.98 percent per annum, due on June 4, 2025</li> <li>- Borrowed on December 18, 2024, amount 150,000.00 baht Interest rate 7.98 percent per annum, due on June 15, 2025</li> <li>- Borrowed on December 22, 2024, amount 861,000.00 baht Interest rate 7.98 percent per annum, due on June 19, 2025</li> <li>- Borrowed on December 22, 2024, amount 250,000.00 baht Interest rate 7.98 percent per annum, due on June 19, 2025</li> <li>- Borrowed on December 20, 2024, amount 150,000.00 baht Interest rate 7.98 percent per annum, due on June 18, 2025</li> </ul> <p><u>Necessity/reasonableness</u></p>	400,000.00	1,661,000.00	1,841,000.00

Related party transactions	Transaction value at the end of the fiscal year (baht)		
	2022	2023	2024
<p>Due to the malfunctioning Solar equipment requiring replacement, the joint venturers have resolved to approve DP6 borrowing funds from Demco for the urgent equipment replacement.</p> <p><u>Audit committee's opinion</u></p> <p>null</p>			
<p><b>Transaction 2</b></p> <p>13,020.91      31,228.91      139,197.03</p> <p><u>Nature of transaction</u></p> <p>Interest Received</p> <p><u>Details</u></p> <p>Interest received on DP6 loan from Denso</p> <p><u>Necessity/reasonableness</u></p> <p>Based on the average interest rate of short-term loans (excluding overdraft) that Demco borrows from financial institutions, calculated according to the policy of using MLR +1 as it is a non-wholly owned subsidiary (average MLR of 4 major banks).</p> <p><u>Audit committee's opinion</u></p> <p>null</p>			
<p><b>Transaction 3</b></p> <p>148,883.48      139,765.53      130,654.22</p> <p><u>Nature of transaction</u></p> <p>Other Income</p> <p><u>Details</u></p> <p>1) Revenue from accounting and financial services, 2,500 Baht per month  2) Fee income from credit line guarantees from financial institutions  3) Operation and maintenance service fee for power plants, providing personnel and equipment, 8,000 Baht per month</p> <p><u>Necessity/reasonableness</u></p> <p>1) DENSO determines the service fee by referring to the market price for accounting services.  2) By referring to the market fee rate of financial institutions for providing guarantee services.  3) Based on the salary cost of employees working on Central Monitoring Technicians.</p> <p><u>Audit committee's opinion</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (baht)		
	2022	2023	2024
null			
Fraser's Property Industrial (Thailand) Company Limited ("FPIT")			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Interest Received  <u>Details</u>  Interest income on DP11 loan from Denko  <u>Necessity/reasonableness</u>  Based on the average interest rate of short-term loans (excluding overdraft) that Demco borrows from financial institutions, calculated according to the policy of using MLR +1 as it is a non-wholly owned subsidiary (average MLR of 4 major banks).  <u>Audit committee's opinion</u>  null	0.00	1,278.29	117,698.11
<b>Transaction 2</b>  <u>Nature of transaction</u>  Borrower  <u>Details</u>  The promissory notes issued to DP11 for loans borrowed from Demco are as follows: - Loan taken on October 21, 2024, for the amount of 50,000.00 Baht. Interest rate of 8.12% per annum. Payment due on April 18, 2025. - Loan taken on December 20, 2024, for the amount of 1,436,500.00 Baht. Interest rate of 7.98% per annum. Payment due on June 17, 2025.  <u>Necessity/reasonableness</u>  Due to the malfunctioning Solar equipment requiring replacement, the joint venturers have resolved to approve DP11 to borrow funds from DEMCO for the urgent replacement of said equipment.  <u>Audit committee's opinion</u>  null	0.00	1,436,500.00	1,486,500.00
<b>Transaction 3</b>	120,673.87	115,343.90	110,049.67

Related party transactions	Transaction value at the end of the fiscal year (baht)		
	2022	2023	2024
<p><u>Nature of transaction</u></p> <p>Other Income</p> <p><u>Details</u></p> <p>1) Revenue from accounting and financial services, totaling 2,500 baht per month.</p> <p>2) Fee income from credit line guarantees provided to financial institutions.</p> <p>3) Revenue from power plant operation and maintenance services, including personnel and equipment, totaling 6,500 baht per month.</p> <p><u>Necessity/reasonableness</u></p> <p>1) DENSO determines the service fee by referring to the market price for accounting services.</p> <p>2) By referring to the market fee rate of financial institutions for providing guarantee services.</p> <p>3) Based on the salary cost of employees working on Central Monitoring technicians.</p> <p><u>Audit committee's opinion</u></p> <p>null</p>			
Udon Thani Solar Power Company Limited			
<p><b>Transaction 1</b></p> <p>281,004.14</p> <p>174,756.19</p> <p>89,606.72</p> <p><u>Nature of transaction</u></p> <p>Other Income</p> <p><u>Details</u></p> <p>1) Revenue from accounting and financial services: Demco charges an annual service fee of 80,000 baht.</p> <p>2) Credit line guarantee fee income from financial institutions.</p> <p><u>Necessity/reasonableness</u></p> <p>1) Based on market prices for accounting services</p> <p>2) Based on standard market rates of financial institutions for guarantee services</p> <p><u>Audit committee's opinion</u></p> <p>null</p>			
<p><b>Transaction 2</b></p> <p>300,000.00</p> <p>72,600.00</p> <p>70,000.00</p> <p><u>Nature of transaction</u></p> <p>Maintenance Inspection Revenue</p>			

Related party transactions	Transaction value at the end of the fiscal year (baht)		
	2022	2023	2024
<u>Details</u>  Annual Preventive Maintenance (PM) Inspection for Solar Farm  <u>Necessity/reasonableness</u>  Demco determines the service charge based on the monthly cost of employees working on Monitoring techniques for the company's central units.  <u>Audit committee's opinion</u>  null			
<b>Transaction 3</b>  <u>Nature of transaction</u>  Dividend  <u>Details</u>  Udon Thani Company announced a dividend payment of 6 baht per share via DM for shareholders holding 160,000 shares.  <u>Necessity/reasonableness</u>  Due to the company's accumulated profit, the company has announced a dividend payment to shareholders.  <u>Audit committee's opinion</u>  null	0.00	1,440,000.00	960,000.00
Indochina Green Energy Company Limited			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Other Income  <u>Details</u>  1) Revenue from accounting and financial services: Demco charges an annual service fee of 80,000 baht.  2) Credit line guarantee fee income from financial institutions  <u>Necessity/reasonableness</u>  1) Based on market prices for accounting services. 2) Based on the market standard rate of financial institutions for guarantee services.  <u>Audit committee's opinion</u>	279,360.20	174,675.61	89,528.20

Related party transactions	Transaction value at the end of the fiscal year (baht)		
	2022	2023	2024
null			
<b>Transaction 2</b> <u>Nature of transaction</u> <p>Maintenance Inspection Revenue</p> <u>Details</u> <p>Annual Preventive Maintenance (PM) Inspection for Solar Farm</p> <u>Necessity/reasonableness</u> <p>Demco determines the service charge based on the monthly cost of staff working on technical monitoring for the company's central units.</p> <u>Audit committee's opinion</u> <p>null</p>	380,000.00	73,800.00	70,000.00
<b>Transaction 3</b> <u>Nature of transaction</u> <p>Dividend</p> <u>Details</u> <p>Indo Company announced a dividend payment of 3 baht per share. Demco holds 160,000 shares.</p> <u>Necessity/reasonableness</u> <p>Due to the company's accumulated profit, the company has announced a dividend payment to shareholders.</p> <u>Audit committee's opinion</u> <p>null</p>	0.00	448,000.00	480,000.00
Mekong Green Power Company Limited			
<b>Transaction 1</b> <u>Nature of transaction</u> <p>Other Income</p> <u>Details</u> <p>1) Revenue from accounting and financial services: Demco charges an annual service fee of 80,000 baht.</p> <p>2) Credit line guarantee fee income from financial institutions</p>	284,409.48	177,073.41	89,769.42

Related party transactions	Transaction value at the end of the fiscal year (baht)		
	2022	2023	2024
<u>Necessity/reasonableness</u>  1) Based on market prices for accounting services. 2) Based on standard market rates of financial institutions for guarantee services.  <u>Audit committee's opinion</u>  null			
<b>Transaction 2</b>  <u>Nature of transaction</u>  Maintenance Inspection Revenue  <u>Details</u>  Annual Preventive Maintenance (PM) Inspection for Solar Farm  <u>Necessity/reasonableness</u>  Demco determines the service charge based on the monthly cost of employees working on Monitoring technical services for the company's central units.  <u>Audit committee's opinion</u>  null	300,000.00	86,550.00	85,000.00
Sustainable Energy Corporation Limited			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Shareholder  <u>Details</u>  The investment value in Khao Kho Wind Power Company Limited ("Khao Kho") is 76,445,836.42 Baht, which DEMCO received from Sustainable Energy Corporation Company Limited. - Share payment date December 14, 2022, amount 21,477,870.00 Baht  <u>Necessity/reasonableness</u>  Due to the company's necessity, Khao Kho Wind Power Company Limited (Demco) needs to purchase shares of Khao Kho Wind Power Company Limited from Sustainable Energy Corporation Company Limited.  <u>Audit committee's opinion</u>  null	76,445,836.42	76,445,836.42	76,445,836.42

Related party transactions	Transaction value at the end of the fiscal year (baht)		
	2022	2023	2024
<b>Transaction 2</b>  <u>Nature of transaction</u>  Interest Paid  <u>Details</u>  Interest expense incurred by Sustainable Energy Corporation Limited from Khao Kho shareholder loan of 76,445,836.42 Baht: 1 January 2022 - 2 October 2022: Interest rate of 0.15% per annum 3 October 2022 - 7 December 2022: Interest rate of 0.35% per annum 8 December 2022 - 31 December 2022: Interest rate of 0.45% per annum 1 January 2023 - 31 December 2023: Interest rate of 0.45 - 1% per annum 1 January 2024 - 22 November 2024: Interest rate of 1% per annum 23 November 2024 - 31 December 2024: Interest rate of 0.8% per annum  <u>Necessity/reasonableness</u>  Calculate interest based on the 6-month fixed deposit interest rate of Kasikornbank Public Company Limited.  <u>Audit committee's opinion</u>  null	197,113.99	559,834.84	748,166.65
The Joint Venture of Denso and Maxens ("DMAX")			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Service Revenue  <u>Details</u>  Revenue from telecommunication systems within Demco's area of responsibility under the joint operating agreement  <u>Necessity/reasonableness</u>  Demco determines its pricing based on cost-plus pricing principles, ensuring that transactions are conducted as if they were with external entities.  <u>Audit committee's opinion</u>  null	0.00	36,857,837.16	3,794.39
<b>Transaction 2</b>	0.00	112,000.00	210,005.90



Related party transactions	Transaction value at the end of the fiscal year (baht)		
	2022	2023	2024
<u>Nature of transaction</u>  Other Income  <u>Details</u>  1) Revenue from accounting and financial services, totaling 112,000 Baht per year. 2) Guarantee fee income from financial institutions.  <u>Necessity/reasonableness</u>  1) Dengo determines its service fees by referencing market prices for accounting services. 2) By referencing the market fee rates of financial institutions for the provision of guarantee services.  <u>Audit committee's opinion</u>  null			
The Joint Venture of Demco Public Company Limited and Alternative Engineering Service Public Company Limited ("DASE")			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Other Income  <u>Details</u>  1) Revenue from providing accounting and financial services, totaling 116,000 Baht per year. 2) Fee income from credit line guarantees from financial institutions.  <u>Necessity/reasonableness</u>  1) Dengo determines its service fees based on market prices for accounting services. 2) It refers to the market fee rates of financial institutions for guarantee services.  <u>Audit committee's opinion</u>  null	0.00	105,013.72	261,100.81
<b>Transaction 2</b>  <u>Nature of transaction</u>  Sales Revenue  <u>Details</u>  Demco sells flue gas analyzers to DASE. This falls under Demco's responsibilities within the joint operating agreement.	0.00	0.00	49,487,054.50

Related party transactions	Transaction value at the end of the fiscal year (baht)		
	2022	2023	2024
<u>Necessity/reasonableness</u>  Pricing is determined by cost plus markup, with terms similar to those for transactions with external parties.  <u>Audit committee's opinion</u>  null			
Sabayoi Public Company Limited ("SBY")			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Other Income  <u>Details</u>  Rental income from office buildings  Year 2022: Lease period from 11 November 2022 - 31 December 2022 Year 2023: Lease period from 1 January 2023 - 31 December 2023  <u>Necessity/reasonableness</u>  Determine the rental price based on market rates, including utilities.  <u>Audit committee's opinion</u>  null	3,333.33	23,607.48	23,607.48

### 9.2.3 Policy and future trends of related party transactions and the compliance with the obligations specified in the prospectus of the company

#### Measures and procedures for approving related party transactions or connected transactions

##### Intercompany Transaction Policy

Demco may engage in intercompany transactions in the future. If the transactions are in the ordinary course of business, they must be conducted on an arm's length basis, consistent with the terms and conditions that would be applied to similar transactions with unrelated parties. The Audit Committee will review compliance with these principles and provide an opinion on the reasonableness of the transactions on a quarterly basis. For intercompany transactions that are not in the ordinary course of business or are new transactions, Demco will submit them to the Audit Committee for approval prior to execution. The procedures and steps for approving intercompany transactions as described above shall be followed.

### 9.2.4 Information on appraised assets and appraisal price in conjunction with the execution of related party transactions

Can be referred in attachment 4: assets for business undertaking and details of asset appraisal

## Part 3 Financial Statement

## Auditor's Report

DEMCO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
THAILAND

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FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

AND

INDEPENDENT AUDITOR'S REPORT

---

EXPRESSED IN  
THAI BAHT

## **INDEPENDENT AUDITOR'S REPORT**

**To      The Shareholders and Board of Directors of Demco Public Company Limited**

### **Opinion**

I have audited the consolidated financial statements of Demco Public Company Limited and its subsidiaries (the Group) and the separate financial statements of Demco Public Company Limited (the Company) which comprise the consolidated and separate statements of financial position as of December 31, 2024, and the related consolidated and separate statements of changes in equity, comprehensive income, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Demco Public Company Limited and its subsidiaries and Demco Public Company Limited as of December 31, 2024, and 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 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 and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions Under The Royal Patronage of His Majesty The King (Code of Ethics for Professional Accountants) that are relevant to my audit of the consolidated and separate 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 8 to the financial statements discussing the significant commercial disputes with a customer, whose outcomes are dependent on the future judicial process and cannot be determined at present. My opinion is not modified in respect of this matter.

## **Key Audit Matters**

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

Key Audit Matters included Audit Procedures are as follows:

The revenue recognition from construction service (the consolidated and separate financial statements)

As describe in Note 3.1 to the financial statements, the Group recognizes the revenue from construction service by reference to the stage of completion. Because the amount of revenue from construction service in the statements of income are significant and the estimation of the stage of completion is requiring significant judgment of management, that has a direct impact on the accuracy of revenue from construction service recorded in the consolidated and separate financial statements, therefore, I have identified that the recognition of revenue from construction service is the significant matter that requires special attention in the audit.

My audit procedure on such matter

I examined recognition of revenue from construction service by understanding and assessing the appropriateness of the internal control related to the completeness of recording construction costs and estimating the construction cost until completion, the reasonableness of the evaluation of percentage of completion and recognition of revenue. Including testing the effectiveness of internal controls related to procurement and recording of actual contract costs by inquiring with the management and related persons, understanding, reading the contracts, selecting sampling to test, testing actual cost with supporting documents, select the contract to observe construction work at the construction site and performing an analytical review of the percentage of completion estimate by engineers and the percentage of completion determined through a comparison of contract costs incurred throughout the period to the total estimate contract costs, reading the contracts and performing an analytical review of gross profit margin to detect possible irregularities.

## **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. Which is expected to be made available to me after the date of this auditor's report.

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

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available 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, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and the management of the Group.

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

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

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

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



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

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and separate financial statements, including the disclosures, and whether the consolidated financial statements and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

(JARUNEE NUAMMAE)

Certified Public Accountant

Registration No. 5596

A.M.T. & ASSOCIATES

Bangkok, Thailand

February 27, 2025

## Financial Statements

**DEMCO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION**

**AS AT DECEMBER 31, 2024**

		(Unit : Thousand baht)			
		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	146,693	102,185	53,913	57,110
Trade and other current receivables	8.1	1,035,092	988,569	896,488	932,666
Current contract assets	9	390,089	298,736	390,001	298,401
Short-term loans	10	3,327	10,918	3,327	10,918
Inventories	11	350,879	470,886	157,071	237,559
Other current assets	12	74,361	71,423	54,840	68,114
<b>Total current assets</b>		<b>2,000,441</b>	<b>1,942,717</b>	<b>1,555,640</b>	<b>1,604,768</b>
<b>Non-Current assets</b>					
Restricted deposits at financial institutions	13	14,867	21,896	14,867	18,897
Other non-current financial asset	14	2,367,725	2,293,751	2,367,725	2,293,751
Investments in associates	15	1,439,577	1,453,602	1,206,849	1,206,849
Investments in subsidiaries	16	-	-	502,277	347,009
Investments in joint ventures	17	72,700	76,162	52,409	58,019
Trade and other non-current receivables	8.2	27,960	20,483	24,051	16,290
Long-term loans	18	-	-	132,193	124,951
Investment properties	19	7,840	7,840	7,840	7,840
Property, plant and equipment	20	337,111	324,060	246,615	230,009
Right of use assets	21	64,580	72,536	30,182	34,369
Intangible assets	22	306,489	147,638	18,774	21,309
Deferred tax assets	23	10,252	8,216	-	-
Other non-current assets		45,702	50,292	15,827	12,914
<b>Total non-current assets</b>		<b>4,694,803</b>	<b>4,476,476</b>	<b>4,619,609</b>	<b>4,372,207</b>
<b>Total assets</b>		<b>6,695,244</b>	<b>6,419,193</b>	<b>6,175,249</b>	<b>5,976,975</b>

Notes to financial statements form an integral part of these statements.

**DEMCO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION (CONT.)**

**AS AT DECEMBER 31, 2024**

(Unit : Thousand baht)

		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term borrowings					
from financial institutions	24	1,251,820	1,097,028	1,023,716	1,039,441
Trade and other current payables	25	918,486	828,605	917,780	808,713
Current contract liabilities	26	369,851	419,418	352,988	395,447
Short-term borrowings		-	-	29,000	29,000
Current portion of long-term borrowings	29	10,551	9,100	10,551	9,100
Current portion of lease liabilities	30	12,680	12,085	7,652	7,436
Current provisions for employee benefits	31	8,850	6,341	2,793	5,918
Other current provisions	27	25,928	26,293	25,928	26,293
Other current liabilities	28	49,866	45,765	44,978	40,872
Total current liabilities		2,648,032	2,444,635	2,415,386	2,362,220
Non-current liabilities					
Long-term borrowings	29	72,832	83,383	72,832	83,383
Lease liabilities	30	39,644	49,240	20,275	25,036
Deferred tax liabilities	23	196,703	173,089	193,990	173,089
Non-current provisions for employee benefits	31	82,586	81,138	65,957	57,673
Non-current liabilities		264	88	-	-
Total non-current liabilities		392,029	386,938	353,054	339,181
Total liabilities		3,040,061	2,831,573	2,768,440	2,701,401

Notes to financial statements form an integral part of these statements.

**DEMCO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION (CONT.)**

**AS AT DECEMBER 31, 2024**

		(Unit : Thousand baht)			
		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
<b>Liabilities and shareholders' equity (continue)</b>					
<b>Shareholders' equity</b>					
Share capital	33				
Registered share capital					
876,413,101 ordinary shares of Baht 1 each		876,413	876,413	876,413	876,413
Issued and paid-up share capital					
730,344,251 ordinary shares of Baht 1 each		-	730,344	-	730,344
750,978,655 ordinary shares of Baht 1 each		750,979	-	750,979	-
Premium on common share	33	1,967,626	1,916,040	1,967,626	1,916,040
Premium on treasury stock		151,947	151,947	151,947	151,947
Capital reserve for expired share-based payment		16,361	16,361	16,361	16,361
Surplus (discount) from change in					
shareholding interest in subsidiaries		(4,000)	(4,000)	-	-
Retained earning (deficit)					
Appropriated					
Legal reserve	32	82,268	82,268	82,268	82,268
Unappropriated		(319,302)	(258,216)	(572,396)	(573,487)
Other components of shareholders' equity		1,008,780	952,352	1,010,024	952,101
<b>Total equity of the parent company</b>		<b>3,654,659</b>	<b>3,587,096</b>	<b>3,406,809</b>	<b>3,275,574</b>
Non-controlling interests		524	524	-	-
<b>Total shareholders' equity</b>		<b>3,655,183</b>	<b>3,587,620</b>	<b>3,406,809</b>	<b>3,275,574</b>
<b>Total liabilities and shareholders' equity</b>		<b>6,695,244</b>	<b>6,419,193</b>	<b>6,175,249</b>	<b>5,976,975</b>

Notes to financial statements form an integral part of these statements.

DEMCO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2024

(Unit : Thousand baht)

Consolidated financial statements																
Owners of the parent																
	Note	Issued and paid-up Premium on common share Premium on treasury stock for expired share-based payment				Capital reserve	Surplus(discount) from change in shareholding interest in subsidiaries	Retained earnings (deficit)		Other comprehensive income			Total equity of the parent company	Non-controlling interests	Total shareholders' equity	
								Appropriated		Other components of shareholders' equity						
										Gain on re-measurements of defined benefit plans	Gains (losses) from fair value measurement of general investments	Share of other comprehensive income (loss) of associates				Total other components of shareholders' equity
		Legal reserve	Unappropriated													
Balance as at January 1, 2024		730,344	1,916,040	151,947	16,361	(4,000)	82,268	(258,216)	-	952,101	251	952,352	3,587,096	524	3,587,620	
Change in shareholders' equity																
Capital increase in ordinary shares	33	20,635	51,586	-	-	-	-	-	-	-	-	-	72,221	-	72,221	
Total comprehensive income (expense) for the year		-	-	-	-	-	-	(62,658)	1,572	57,923	(1,495)	58,000	(4,658)	-	(4,658)	
Transfer to retained earnings (deficit)		-	-	-	-	-	-	1,572	(1,572)	-	-	(1,572)	-	-	-	
Ending balance as at December 31, 2024		750,979	1,967,626	151,947	16,361	(4,000)	82,268	(319,302)	-	1,010,024	(1,244)	1,008,780	3,654,659	524	3,655,183	
Balance as at January 1, 2023		730,344	1,916,040	151,947	16,361	(4,000)	82,268	291,713	-	897,421	(558)	896,863	4,081,536	526	4,082,062	
Change in shareholders' equity																
Total comprehensive income (expense) for the year		-	-	-	-	-	-	(549,929)	-	54,680	809	55,489	(494,440)	(2)	(494,442)	
Ending balance as at December 31, 2023		730,344	1,916,040	151,947	16,361	(4,000)	82,268	(258,216)	-	952,101	251	952,352	3,587,096	524	3,587,620	

Notes to financial statements form an integral part of these statements.

DEMCO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2024

(Unit : Thousand baht)

Separate financial statements											
	Note	Retained earnings (deficit)					Other comprehensive income				
		Issued and paid-up share capital	Premium on common share	Premium on treasury stock	Capital reserve for expired share-based payment	Other components of shareholders' equity					
						Appropriated  Legal reserve	Unappropriated	Gain on re-measurements of defined benefit plans	Gains (losses) from fair value measurement of general investments	Total other components of shareholders' equity	Total shareholders' equity
Balance as at January 1, 2024		730,344	1,916,040	151,947	16,361	82,268	(573,487)	-	952,101	952,101	3,275,574
Change in shareholders' equity											
Capital increase in ordinary shares	33	20,635	51,586	-	-	-	-	-	-	-	72,221
Total comprehensive income (expense) for the year		-	-	-	-	-	1,856	(765)	57,923	57,158	59,014
Transfer to retained earnings (deficit)		-	-	-	-	-	(765)	765	-	765	-
Ending balance as at December 31, 2024		750,979	1,967,626	151,947	16,361	82,268	(572,396)	-	1,010,024	1,010,024	3,406,809
Balance as at January 1, 2023		730,344	1,916,040	151,947	16,361	82,268	85,651	-	897,421	897,421	3,880,032
Change in shareholders' equity											
Total comprehensive income (expense) for the year		-	-	-	-	-	(659,138)	-	54,680	54,680	(604,458)
Ending balance as at December 31, 2023		730,344	1,916,040	151,947	16,361	82,268	(573,487)	-	952,101	952,101	3,275,574

Notes to financial statements form an integral part of these statements.



DEMCO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2024

		(Unit : Thousand baht)			
		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
<b>Revenues</b>					
Revenues from sales and service		851,404	355,263	220,635	133,322
Revenues from construction service		2,124,190	1,800,327	2,080,598	1,814,381
Other income					
- Reversal of impairment loss on assets	14, 16, 17, 22	131,936	-	123,081	-
- Dividend income		88,421	113,684	124,349	224,989
- Interest income		4,958	3,002	15,727	26,025
- Other Income		11,318	28,449	11,418	17,343
<b>Total revenues</b>		<b>3,212,227</b>	<b>2,300,725</b>	<b>2,575,808</b>	<b>2,216,060</b>
<b>Expenses</b>					
Cost of sales and service		832,047	354,719	193,838	121,960
Cost of construction service		1,920,682	1,636,044	1,888,331	1,652,507
Distribution costs		3,185	6,515	-	-
Administrative expenses		290,630	280,220	259,239	250,390
Other expenses					
- Impairment loss on assets	14,16,17,22	-	571,133	-	607,396
- Others		16,225	7,375	4,326	3,278
<b>Total expenses</b>	37	<b>3,062,769</b>	<b>2,856,006</b>	<b>2,345,734</b>	<b>2,635,531</b>
<b>Profit (loss) from operations activities</b>		<b>149,458</b>	<b>(555,281)</b>	<b>230,074</b>	<b>(419,471)</b>
Finance costs		69,064	64,059	58,939	60,314
Impairment loss determined					
in accordance with TFRS 9	8, 9, 10, 18	162,526	6,498	162,526	183,076
Share of profit (loss) of associates and joint ventures					
accounted for using the equity method	15, 17	26,320	24,465	-	-
<b>Profit (loss) before income tax expense</b>		<b>(55,812)</b>	<b>(601,373)</b>	<b>8,609</b>	<b>(662,861)</b>
Tax expense (income)	35	6,846	(51,442)	6,753	(3,723)
<b>Profit (loss) for the year</b>		<b>(62,658)</b>	<b>(549,931)</b>	<b>1,856</b>	<b>(659,138)</b>

Notes to financial statements form an integral part of these statements.

DEMCO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME (CONT.)

FOR THE YEARS ENDED DECEMBER 31, 2024

		(Unit : Thousand baht)			
		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
<b>Other comprehensive income (expense)</b>					
Items that will not be reclassified to profit or loss					
Gains (losses) from fair value measurement					
of general investments	14	72,404	68,349	72,404	68,349
Gains on re-measurements of defined benefit plans	31	1,965	-	(956)	-
Share of other comprehensive income (expense) of associates					
Gains (losses) from change in fair value					
of derivatives - associates	15	(1,867)	1,011	-	-
Income tax relating to items					
that will not be reclassified to profit or loss	35	(14,502)	(13,872)	(14,290)	(13,670)
Other comprehensive income (loss) for the year, net of tax		58,000	55,488	57,158	54,679
<b>Total comprehensive income (expense) for the year</b>		<b>(4,658)</b>	<b>(494,443)</b>	<b>59,014</b>	<b>(604,459)</b>
<b>Profit (loss) attributable to :</b>					
Owners of the parent		(62,658)	(549,929)	1,856	(659,138)
Non-controlling interests		-	(2)	-	-
<b>Total</b>		<b>(62,658)</b>	<b>(549,931)</b>	<b>1,856</b>	<b>(659,138)</b>
<b>Total comprehensive income (expense) attributable to :</b>					
Owners of the parent		(4,658)	(494,441)	59,014	(604,459)
Non-controlling interests		-	(2)	-	-
<b>Total</b>		<b>(4,658)</b>	<b>(494,443)</b>	<b>59,014</b>	<b>(604,459)</b>
<b>Earnings (loss) per share</b>					
	36				
Basic earnings (loss) per share		(0.09)	(0.75)	0.00	(0.90)

Notes to financial statements form an integral part of these statements.

**DEMCO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS**

**FOR THE YEARS ENDED DECEMBER 31, 2024**

	(Unit : Thousand baht)			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
<b>Cash flows from operating activities</b>				
Profit (loss) before income tax expense	(55,812)	(601,373)	8,609	(662,861)
Adjustments				
Depreciation	41,489	40,045	26,496	24,172
Amortization of intangible assets	7,522	19,963	4,014	4,050
Amortization of withholding tax	10,874	-	-	-
Impairment loss determined in accordance with TFRS9-Receivable (reversal)	164,245	6,338	164,245	6,338
Impairment loss determined in accordance with TFRS9-Loans (reversal)	(160)	160	(160,902)	176,738
Impairment loss determined in accordance with TFRS9-Accrued interest (reversal)	(5)	-	(15,842)	-
Impairment loss-Investments (reversal)	(1,570)	(406)	(30,682)	607,396
Loss from debt restructuring	-	-	82,423	-
Impairment loss-Intangible assets (reversal)	(132,121)	568,732	-	-
Loss (gain) from disposal of fixed asset	1,033	935	477	1,443
Loss diminution in value of inventories (reversal)	(4,395)	6,658	(3,408)	2,046
Unrealized (gain) loss from exchange rate	34	372	34	372
Loss from sale of investment in joint ventures	1,183	-	406	-
Share of (profit) loss of associates and joint ventures				
accounted for using the equity method	(26,320)	(24,465)	-	-
Provisions other liabilities	53,845	5,052	53,845	5,052
Employee benefit expenses	11,696	9,287	10,223	6,618
Dividend income	(88,421)	(113,684)	(124,349)	(224,989)
Interest income	(4,958)	(3,774)	(15,727)	(25,942)
Finance costs	69,064	64,059	58,939	60,314
<b>Profit (loss) from operations activities before changes</b>				
<b>    in operating assets and liabilities</b>	47,223	(22,101)	58,801	(19,253)
Changes in operating assets and liabilities				
(Increase) decrease in trade and other current receivables	(241,706)	(190,781)	(133,221)	(194,205)
(Increase) decrease in current contract assets	(89,248)	352,394	(91,758)	352,869
(Increase) decrease in inventories	127,708	(196,392)	83,896	(89,825)
(Increase) decrease in other current assets	(41,173)	(3,966)	(32,740)	(4,233)
(Increase) decrease in trade and other non current-receivables	(1,348)	9,476	(1,362)	9,313
(Increase) decrease in other non-current assets	42,572	2,406	44,078	(319)
Increase (decrease) in trade and other current payables	62,407	134,591	49,965	35,491
Increase (decrease) in current contract liabilities	(49,945)	259,138	(42,646)	239,490
Increase (decrease) in other current liabilities	4,093	13,373	4,105	13,098
<b>Net cash provided by (used in) operating activities</b>	(139,417)	358,138	(60,882)	342,426

Notes to financial statements form an integral part of these statements.

**DEMCO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS (CONT.)**

**FOR THE YEARS ENDED DECEMBER 31, 2024**

(Unit : Thousand baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
<b>Cash flows from operating activities (continue)</b>				
Cash received from interest income	8,110	2,409	7,404	2,160
Cash payment from employee benefit obligation	(7,166)	(6,361)	(6,742)	(4,931)
Cash payment for finance costs	(82,761)	(62,615)	(56,613)	(58,670)
Cash (payment) received from corporate income tax	(8,986)	(9,615)	(2,074)	(6,369)
<b>Net cash provided by (used in) operating activities</b>	<b>(230,220)</b>	<b>281,956</b>	<b>(118,907)</b>	<b>274,616</b>
<b>Cash flows from investment activities</b>				
(Increase) decrease restricted deposits at financial institutions	7,030	5,795	4,030	5,795
Cash received (payment) for short-term loans	7,751	(4,858)	7,751	(4,858)
Cash payment for capital increase in subsidiary	-	-	(32,001)	-
Cash received for sales of investment in joint ventures	5,204	-	5,204	-
Cash received for sales of fixed asset	1,533	59,257	424	28,092
Cash payment for purchased of fixed assets	(41,156)	(72,133)	(31,468)	(47,711)
Cash payment for purchased of intangible assets	(34,253)	(2,101)	(1,480)	(1,608)
Cash received for sales of right of use asset	-	15	-	15
Cash received for dividend income	124,349	224,989	124,349	224,989
Cash received from issuing ordinary shares from the exercise of warrants	72,221	-	72,221	-
<b>Net cash provided by (used in) investment activities</b>	<b>142,679</b>	<b>210,964</b>	<b>149,030</b>	<b>204,714</b>
<b>Cash flows from financing activities</b>				
Cash received (payment) for bank overdrafts and				
short-term borrowings from financial institutions	154,792	(478,643)	(15,725)	(516,230)
Cash payment for short-term borrowings	-	-	-	(13,000)
Cash received from long-term borrowings	-	82,572	-	82,572
Cash payment for long-term borrowings	(9,100)	(70,788)	(9,100)	(34,054)
Cash payment for lease liabilities	(13,643)	(6,324)	(8,495)	(6,015)
<b>Net cash provided by (used in) financing activities</b>	<b>132,049</b>	<b>(473,183)</b>	<b>(33,320)</b>	<b>(486,727)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>44,508</b>	<b>19,737</b>	<b>(3,197)</b>	<b>(7,397)</b>
Cash and cash equivalents as at January 1	102,185	82,448	57,110	64,507
<b>Cash and cash equivalents as at December 31</b>	<b>146,693</b>	<b>102,185</b>	<b>53,913</b>	<b>57,110</b>

Notes to financial statements form an integral part of these statements.

## Notes to the Financial Statements

**DEMCO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**1. GENERAL INFORMATION**

Demco Public Company Limited (“the Company”) was incorporated under the Civil and Commercial Code of Thailand as a limited company on June 1, 1992 and the Company was transformed to Public Company Limited on May 26, 2006. The registered address is at 59 Moo 1, Suanphrikthai, Muang, Pathumthani.

The Company principally engages in the provision of electric system construction, all service works in the field of electric engineering and telecommunication engineering, sale of electric systems equipment and construction materials, including investment in projects of renewable energy and utilities system.

The Company is listed on the Stock Exchange of Thailand. For the reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

**2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS**

**2.1 Basis for the preparation of financial statements**

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with the financial reporting standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

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 such financial statements in Thai language.

## 2.2 Basis for preparation of the consolidated financial statements

2.2.1 The consolidated financial statements consisted of the financial statements of Demco Public Company Limited, and subsidiaries (together referred to as “the Group”). The Company holds shares at the following percentages as at December 31, 2024 and 2023 as follows:

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding (%)	
			2024	2023
Direct subsidiaries				
Demco energy and utilities Co., Ltd.	Operate business in renewable energy of an utility systems	Thailand	100	100
Demco Power Co., Ltd.	Manufacture and sale of galvanized structure steel and electrical equipment	Thailand	100	100
Demco De lao Co., Ltd.	Production and sale of treated water	Lao PDR	100	100
Indirect subsidiaries - holding by Demco energy and utilities Co., Ltd.				
Sabayoi Green Co., Ltd.	Electricity generation and transmission	Thailand	94.67	94.67

- A) The consolidated financial statements are prepared by using uniform accounting policies. So that the transaction and the others event which are the same or the similar circumstances have been used the identical policies to record those transaction.
- B) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- C) Subsidiary is an entity controlled by the Company. Control exists when the Company has the power, directly or indirectly through other subsidiaries, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.
- D) 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 comprehensive income or loss and within equity in the consolidated statement of financial position.
- E) Total comprehensive income is attributed to the owners of the parent company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- F) Upon loss of control, the Company derecognized the assets and liabilities of the subsidiaries, the carrying amount of non-controlling interests and any components of other comprehensive income attributable to that subsidiary. The Company recognized profit or loss arising on the loss of control in statement of comprehensive income.
- G) Any investment retained in the former subsidiaries shall be accounted for fair value from the date when control is lost.

- 2.3 The Group has interests in joint operations which are joint arrangements whereby the Group has rights to assets and obligations relating to the joint arrangements. The Group recognizes assets, liabilities, revenues and expenses in relation to its interest in the following joint operation in the consolidated and separate financial statements from the date that joint control commences until the date that joint control ceases.

Company's name	Nature of business	Country of incorporation	Interests in joint operations (%)	
			As at December 31, 2024	As at December 31, 2023
DEMCO and MAXENS Joint Venture	Construction	Thailand	51.00	51.00
DEMCO and DASE Joint Venture	Sales and services of air quality control and monitoring systems	Thailand	51.00	51.00

In October 2022, DEMCO and MAXENS Joint Venture (DMAX) entered into the agreement, as the contractor, the Contract Agreement for Electric and Instrument Work for Block Value Station and Metering Regulation Station associated with Hin Kong Power Plant Natural Gas Transmission Pipeline Project with China Petroleum Pipeline Bureau (Thailand) Co., Ltd. DMAX is a joint arrangement which is treated as a joint operation between the Company and MAXENS Company Limited, with the Company having an interest in the joint operation of 51 percent according to the joint venture agreement.

In May 2023, the Company and Analytical System Engineering (Thailand) Co., Ltd. signed a joint venture agreement to establish a joint venture of Demco and ASE (DASE), which is treated as a joint operation in the form of joint operations with the Company's interest of 51 percent of project company with regard to engineering work, procuring, installing, testing, and maintaining an automatic air quality monitoring system from the stack for factories.

Financial information of the Company only and the joint arrangements which are the joint operations are presented including in the separate financial statement as below.

Unit : Thousand Baht				
Summarised information about financial position	As at December 31, 2024			
	The Company	The joint arrangements	Elimination entries	Separate Financial Statements
Current assets	1,554,158	5,847	(4,365)	1,555,640
Non-Current assets	4,619,243	366	-	4,619,609
Current liabilities	2,414,507	5,243	(4,365)	2,415,386
Unappropriated retained earnings (deficit)	(573,366)	970	-	(572,396)



Unit : Thousand Baht

	As at December 31, 2023			
	The Company	The joint arrangements	Elimination entries	Separate Financial Statements
<b>Summarised information about financial position</b>				
Current assets	1,603,014	10,270	(8,516)	1,604,768
Current liabilities	2,360,927	9,809	(8,516)	2,362,220
Unappropriated retained earnings (deficit)	(573,948)	461	-	(573,487)

Unit : Thousand Baht

	For the year ended December 31, 2024			
	The Company	The joint arrangements	Elimination entries	Separate Financial Statements
<b>Summarised information about profit or loss</b>				
Total revenues	2,574,807	26,482	(25,481)	2,575,808
Total expenses	(2,345,384)	(25,831)	25,481	(2,345,734)
Profit (loss) from operations activities	229,423	651	-	230,074
Finance costs	(58,939)	-	-	(58,939)
Impairment loss determined in accordance with TFRS 9	(162,526)	-	-	(162,526)
Profit (loss) before income tax expenses	7,958	651	-	8,609
Tax expense (income)	6,611	142	-	6,753
Profit (loss) for the year	1,347	509	-	1,856

Unit : Thousand Baht

	For the year ended December 31, 2023			
	The Company	The joint arrangements	Elimination entries	Separate Financial Statements
<b>Summarised information about profit or loss</b>				
Total revenues	2,215,203	19,766	(18,909)	2,216,060
Total expenses	(2,635,312)	(19,127)	18,908	(2,635,531)
Profit (loss) from operations activities	(420,109)	639	(1)	(419,471)
Finance costs	(60,314)	(1)	1	(60,314)
Impairment loss determined in accordance with TFRS 9	(183,076)	-	-	(183,076)
Profit (loss) before income tax expenses	(663,499)	638	-	(662,861)
Tax expense (income)	(3,900)	177	-	(3,723)
Profit (loss) for the year	(659,599)	461	-	(659,138)

2.4 Financial reporting standards that became effective in the current year

During the year, the Group have adopted the revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 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 practices, accounting guidance and disclosures in the notes to the financial statements and, for some standards, providing temporary reliefs or temporary exemptions to users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current year.

2.5 Financial Reporting Standards which are not effective for the current year

During the year, the Federation of Accounting Professions has issued the revised accounting standard and financial reporting standards, which are effective for financial statements period beginning on or after January 1, 2025 as follows:

Accounting Standard

TAS 1 Presentation of Financial Statements

TAS 7 Statement of Cash Flows

Financial Reporting Standard

TFRS 7 Financial Instruments: Disclosures

TFRS 16 Leases

The management of the Group has assessed that the TAS and TFRS will not material impact on the financial statements when it is applied.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Revenue recognition and expenses

##### Revenues from Construction service

Revenue and cost incurred for the period from service construction contract is recognized as soon as it can be estimated reliably, revenue from service construction contract is recognized as over the period of service contract using the input method in accordance with the proportion of the cost incurred of the work completed to date and the estimated construction cost of the entire project at completion. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized immediately as an expense in the statement of income.

Installment due under contract but not yet received is shown as “Account receivable”. The excess of revenue recognized under the percentage of completion method over the amount of installment due under contract is shown as “contract assets” under current assets. The excess of installment due under the contract over the revenue recognized under the percentage of method is shown as “contract liabilities” under current liabilities.

##### Revenue from service contracts with a term by overtime

The Group recognizes revenue from service contracts with a term by overtime on a straight line basis over the term of the contracts.

##### Other services income

Other services income is recognized as revenue when services have been rendered by overtime with reference to the stage of completion.

##### Revenues from sales of goods

Sales of goods are recognized at the point in time when control of the asset is transferred to the customer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

##### Interest income

Interest income is recognized on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity.

##### Other income

Other income is recognized on an accrual basis.

##### Dividends

Dividends are recognized when the right to receive the dividends is established.

##### Cost and other expenses

Cost and other expenses recognized on an accrual basis.

### 3.2 Cash and cash equivalents

Cash and cash equivalents are carried on the statement of financial position at cost. Cash and cash equivalents comprise cash on hand, deposits held at call at banks and other short-term highly liquid investments with maturities of three months or less from the date of acquisition and are not pledged as collateral.

### 3.3 Inventories

Inventories are valued at the lower of cost and net realizable value.

Cost of made to order inventory is determined by the specific method, other cost of goods is determined by first in first out method (FIFO).

The net realisable value is estimated of selling price in the ordinary course of business, minus the costs of completion and selling expenses.

The cost of purchase comprises both the purchase price and direct cost which related to that purchasing expenses, such as transportation charge less all attributable discounts and allowances or rebates (if any).

The cost of finished goods and work in progress comprised of direct materials, direct labour, other direct costs and overhead cost.

The Group records allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

### 3.4 Financial instruments

#### **Classification and valuation of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss. The classification of financial assets at initial recognition is driven by the Group' business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Equity instruments can be classified and cannot be changed by two types of measurement which are measuring fair value through profit or loss or measuring fair value through other comprehensive income that without recycling to profit or loss.

The initial recognition of financial assets that are not measured at fair value through profit or loss with fair value plus or deduct transaction cost directly related to the acquisition or issuance. Financial assets that are measured at fair value through profit or loss, transaction costs are recognized as expense in profit or loss. However, trade receivables, that do not contain a significant financing component are measured at the transaction price.

Subsequent measurement of debt instruments by 3 methods depends on the classification of debt instruments.

- Financial assets measured at amortized cost when financial assets are held to receive cash flow under the agreement and condition of the agreement of the financial assets that generate cash flow to pay the principal and interest from the principal balance on the specified date only. Such financial assets have to be calculated using the effective rate and are subject to impairment assessment. Profit or loss arising from derecognized, modified or impaired will be recognized in profit or loss.
- Financial assets measured at fair value through other comprehensive income when financial assets are held to receive cash flow under the agreement and to sell financial assets and the agreement condition of financial assets generating cash flow that only pays the principal and interest from the principal balance on the specified date. The change of value of financial assets is recognized through other comprehensive income except loss on impairment and interest income and gain and loss on exchange rate are recognized as profit or loss upon recognized of financial assets. Earning or deficit previously recognized in other comprehensive income has to be reclassified into profit or loss. Such financial asset has to be calculated using the effective interest rate same as financial assets measured at amortized cost.
- Financial assets measured at fair value through profit or loss when financial assets that do not meet the criteria for amortized cost or financial assets measured at fair value through other comprehensive income will be presented in the statement of financial position at fair value by recognizing the net change of fair value in profit or loss.

Subsequent valuation of equity instruments must present equity instruments using the fair value and record profit/loss from change in fair value through profit or loss or other comprehensive income depending on equity instruments classification.

### **Classification and valuation of financial liabilities**

The Group are recognized initially of financial liabilities at fair value net of transaction costs and classified as financial liabilities as financial liabilities subsequently measured at amortized cost using the effective rate. The amortized cost is calculated taking into account fees or costs that are an integral part of the effective rate. Amortization by the effective rate is presented as part of financial costs in profit or loss.

### **Derivative**

Derivative is recognized at fair value and measured fair value at the end of the reporting period. Profit or loss from fair value remeasurement is recognized in profit or loss immediately unless that derivative is used for hedge.

### **Derecognition of financial instruments**

Financial assets will be derecognized from the account when the right to receive cash flow of such asset has ended or when the right to receive cash flow of the assets is transferred including upon the transfer of all risk and consideration of that asset or transfer of internal control in that asset although there is no transfer or maintaining of nearly all risk and consideration of such asset.

Financial liabilities will be derecognized from the account when the obligation of such liabilities has been complied, the obligation is cancelled or the obligation has ended. In case existing financial liabilities are changed to new liabilities from one single lender with considerably different requirements or there is a significant amendment in the requirements of existing liabilities, these are considered as recognition old liabilities and recognizing new liabilities by recognizing the difference of such carrying value under profit or loss.

### **Impairment of financial assets**

Expected credit loss for financial assets measured at amortized cost or debt instrument financial asset measured at fair value through other comprehensive income and assets arising from credit facility obligation and financial guarantee agreement are assessed without having to wait for the credit event to occur first. The Group use the general approach in considering the allowance for loss on impairment. For trade receivables, the Group apply a simplified approach in calculating ECLs. The Group recognize a loss based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

### **Offset of financial instruments**

Financial assets and liabilities will be offset and presented at net balance in the statement of financial position in the case legally enforced in offsetting the recognized amount. The Group intend to pay the net balance or intends to receive assets and settle payment of liabilities at the same time.

## **3.5 Investments**

### Investments in subsidiary associate company and jointventures companies

Investments in subsidiary associates company and jointventures companies are accounted for in the separate financial statements carried at cost less an allowance for impairment in value (if any), income from dividend in subsidiaries and associate company will be recorded when dividends are declared.

Investments in associates and jointventures are accounted for in the consolidated financial statements using the equity method.

Accounting policies of associates and investment on jointventures companies have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognized in the profit or loss.

Disposal of investment. The difference between the net disposal proceeds and the book value of that investment is charged or credited to the income statement. In the event that partially disposed of the investment held in the same type of equity instrument, the book value of the disposed investment will be weighted with the carrying amount based on the total amount held.

## **3.6 Goodwill**

Goodwill represents the excess of the consideration transferred over the fair value of the Group's share of the net identifiable assets, liabilities and contingent liability of the acquired subsidiary undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is separately reported in the consolidated statement of financial position. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognized as gain in profit or loss.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

### 3.7 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property of the parent company is land held for a currently undetermined future use. The parent company has not determined that it will use the land as owner-occupied property or as capital appreciation.

Investment property is measured initially at its cost including related transaction costs. After initial recognition, investment property is carried at cost less accumulated impairment losses (if any).

Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably.

All other repairs and maintenance costs are expensed when incurred.

### 3.8 Property, plant and equipment

Land is stated at cost less allowance for loss on impairment of assets (if any).

Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated on the straight line method to write off the cost of each asset, to their residual values over their estimated useful lives as follows.

No depreciation is provided on land and assets under installation.

Estimated useful lives are follower:

	<u>Estimated useful lives</u>
- Land and improvements	5 - 20 years
- Building and improvements	5 - 20 years
- Machines and equipment	2 - 20 years
- Solar power equipment	5 - 25 years
- Furniture and office equipment	2 - 15 years
- Vehicles	5 - 15 years



The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized within "other gains or losses, net" in profit or loss.

The interest costs of borrowings to finance the construction of asset, are capitalized as part of the asset, during the period of time requirement so that the asset is properly prepared for use.

### 3.9 Service concession arrangements

Service concession arrangements are arrangements between government (the grantor) and a private sector entity (an operator) which involve the operator constructing the infrastructure used to provide the public service or upgrading it and operating and maintaining that infrastructure for a specified period of time. The operator is paid for its services over the period of the arrangement. The grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price and the grantor control-through ownership, beneficial entitlement or otherwise - any significant residual interest in the infrastructure at the end of the term of the arrangement.

If the Group as the operator provides construction or upgrade services, revenue and costs relating to construction or upgrade services shall be accounted for based on the stage of completion on the construction contract. The consideration received or receivable by the operator shall be recognized at its fair value of a financial asset or an intangible asset.

The Group shall recognize a financial asset to extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services and recognize an intangible asset to the extent that it receives a right (a licence) to charge users of the public service. A right to charge users of the public service is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the service. If the operator is paid for the construction services partly by a financial asset and partly by an intangible asset it is necessary to account separately for each component of the operator's consideration. Revenue and costs relating to operation services shall be recognized when service is provided by reference to the contract term.

Contractual obligations to maintain or restore infrastructure, except for any upgrade element shall be recognized and measured at the best estimate of the expenditure that would be required to settle the present obligation at the end of the reporting period.

### 3.10 Intangible assets

#### Computer software

Acquired computer software licences are capitalised as intangible assets on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives 5 years.

Intangible assets are recorded at cost and will not be revalued. The carrying amount of each intangible asset is reviewed annually and adjusted for impairment where it is considered as necessary.

#### Right on asset under concession

Right on asset under concession is carried at cost less accumulated amortization and any impairment losses (if any). The group company amortizes it on a unit of production basis and tested for impairment whenever there is an indication that it may be impaired. The amortization period and the amortization method for rights to produce and sell treated water are reviewed at least at each financial year end. The amortization expense is charged to profit or loss.

### 3.11 Impairment of assets that are not financial assets

Assets that have an indefinite useful life, (for example goodwill), are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in the statement of income.

#### Calculation of recoverable amount

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

#### Reversals of impairment

An impairment loss is reversed if there has been change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

### 3.12 Loans

Borrowings are recognized initially at the fair value, net of transaction costs incurred.

Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective yield method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

### 3.13 Trade and other accounts payable

Trade and other accounts payable are stated at cost.

### 3.14 Provision

Provision are recognized when the Group has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimation of the amount can be made. Where the company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

### 3.15 Employee benefits

#### Short term employee benefits

Salaries, wages, bonuses and contributions to the social security fund and provident fund are recognized as expenses when incurred.

#### Post-employment benefits 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 company. The fund's assets are separated from trust fund and the company, and recognized as expenses when incurred.

#### Defined benefit plans employee benefits

The Group has obligations in respect of the severance payments which paid to employees when their retirement have incurred under labor law. The group treats these severance payment obligations as a defined benefit plan.

The liability recognized in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary, using the projected unit credit method. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turn over rate, mortality rate, and inflation rates.

Actuarial gains and losses arising from post-employment benefits are recognized in other comprehensive income and all expenses related to defined benefit plans in profit or loss.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment on curtailment and the date that the Company recognized restructuring-related costs.

### 3.16 Ordinary shares

Ordinary shares are classified as equity.

### 3.17 Treasury stock

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 in premium on treasury shares and retained earnings, consecutively.

### 3.18 Equity-settled share-based payment transactions

The Group recognizes share-based payment transactions after the service has been rendered by employees, based on the fair value of the share options on the grant date. Together with recognition the increase in "capital reserve for share-based payment transactions" in owners' equity, the expenses are recorded over the vesting period in accordance with the employee service conditions in the plan.

In order to estimate fair value the fair value of the share options, management applied assumptions, such as the expected life of the options, share price volatility and dividend yield, etc.

### 3.19 Legal reserve

#### Parent company

Section 116 of the Public Companies Act B.E. 2535 requires that the company shall allocate not less than 5 percent of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribute.

Subsidiary company

The subsidiary companies in Thailand shall allocate not less 5 percent of its annual net profit each time a dividend is declared, to a reserve account (“legal reserve”) until the reserve reaches 10 percent of authorized share capital. The legal reserve is not available for dividend distribution.

3.20 Dividends

Dividends are recorded in the consolidated and company’s financial statements in the period in which they are approved by the shareholders.

3.21 Income tax

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 or highly probable to be effective at the end of the reporting period.

Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

The Group recognize deferred tax liabilities for all taxable temporary differences while they recognize 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 review and reduce 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 company record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on

the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

### 3.22 Leases

#### Leases - where the Group is the lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfer substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

#### Leases - where the Group is the lessee

##### Right-of-use (ROU) asset

The Group recognizes the right-of-use assets at the effective date of the lease. Right-of-use assets are measured at cost less accumulated depreciation. Accumulated impairment losses. And improved by measuring the new lease liability. The cost of the right-of-use asset comprises the amount of the lease liability from the initial measurement. Initial direct costs incurred The amount paid under the lease on the commencement date of the lease agreement or before the commencement of the lease agreement. And deducted by the lease incentives received.

If the Group does not have reasonable assurance that ownership of the underlying asset will be transferred to the group at the end of the lease term. The right-of-use assets are depreciated on a straight-line method from the commencement of the lease agreement until the expiration date of the leasehold assets or the expiration date of the lease, whichever first occurs.

Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of their estimated useful lives and the lease term, as follows:

Land and improvements	5 year
Solar power equipment	15 year
Machines and equipment	2-15 year
Furniture and office equipment	2-15 year
Vehicles	5-15 year
Other	15 year

#### Lease liability

As of the effective date of the lease agreement The group recognizes lease liabilities at the present value of the lease payments discounted at the interest rate implicit in the lease or the margin incremental. After the effective date of the lease, the carrying amount of the lease liability is increased by reflecting the interest on the lease liability and decreasing by reflecting the payment of the lease payment. The lease is re-measured as the lease is changed or evaluated.

#### 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.

### 3.23 Foreign currency translation

#### Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Thai Baht, which is the Group's functional and presentation currency.

#### Transactions and balances

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht at the exchange rate prevailing at the statement of financial position date. Gains and losses resulting from the settlement of foreign currency transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognized in the profit or loss.

The statements of comprehensive income and cash flows of foreign entities are translated into the group's reporting currency at the weighted average exchange rates statement of financial position are translated at the exchange rates ruling on the end of reporting period. Currency translation differences arising from the retranslation of the net investment in foreign entities are taken to shareholders' equity. On disposal of a foreign entity, accumulated exchange differences are recognized in the statement of comprehensive income as part of the gain or loss on sale.

3.24 Management benefit expenses

Management benefit expenses represents the benefits paid to the company's management such as salaries and related benefit.

3.25 Earnings (loss) per share

Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing net profit (loss) with weighted average the number of issued and paid-up shares.

3.26 Operating segments

Operating Segments is requires the presentation and disclosure of segment information based on the internal reports regularly reviewed by the company's chief operating decision maker in order to assess each segment's performance and to allocate resources to those segments.

3.27 Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the financial techniques approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.



#### **4. USE OF JUDGMENT AND SIGNIFICANT ACCOUNTING ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. Significant accounting judgments and estimates are as follows:

##### **Estimated construction project costs**

Considering the obligation to perform according to a contract with the customer Rely on management's discretion to assess and identify the obligations of each contract. Including income from the change of the contract that has not been set the price to change. It is based on management's discretion to estimate the amount of the variable compensation that the Group is entitled to. By considering all available information reasonably. In addition, the level of progress of the fulfillment of the obligations to be completed over the course of each construction contract. Management assessed based on all available information as of the reporting date. They focus on the goals set, the work done, and the estimated costs that will be required to complete the work. The key assumptions require an estimate for the total cost and the portion that will be compensated for the change of work order. This will have an impact on the calculation of the ratio of work done. Actual costs and revenues may be higher or lower than estimates at the reporting date. This has an impact on next year's income and earnings by adjusting the accumulated amount.

##### **Provision for losses on construction projects**

Management applied judgement in estimating the loss they expect to be realised on each construction project, based on estimates of anticipated costs that take into account the progress of the project and actual costs incurred to date, together with fluctuations in costs of construction materials, labour and the current situation. If there is any indication of a loss for a construction project to occur, the Group estimates the expected loss. By the discretion of the management It is recognized in the income statement when it is probable that the cost is higher than the contract income.

##### **Allowance for expected credit losses**

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

#### Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques, proper value assessment and models and longer-term volatility of financial instruments. This assumptions or variable could affect the fair value recognised in could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

#### Allowance for declining in value of inventory

The determination of allowance for declining in the value of inventory, requires management to make judgements and estimates of the loss expected to occur. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business less selling expense. The provision for obsolete slow-moving and deteriorated inventory, is estimated based on the approximate useful life of each type of inventory. The allowance for diminution in value of inventory as determined is compared with the original balance in the books of account and the increase or decrease in the allowance for diminution in value of inventory will be recognized as cost of sales and service in profit or loss.

#### Joint arrangements

Management applied judgement to determine the type of joint arrangement, based on consideration of the rights and obligations arising from the arrangement in accordance with joint venture agreements.

#### Investment property

The management is required to review investment property for impairment on a periodical basis and record the impairment loss when it is determined that the recoverable amount is lower than the carrying amount. This requires judgement regarding forecast of future revenues and expenses relating to the assets subject to the review.

In determining the fair value disclosure of investment property, the management used the supported by current valuations by an independent appraiser.

#### Property, plant and equipment, right of use and Depreciation

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

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

#### Intangible assets

In recording the initial recognition and measurement of intangible assets as at the acquired date and subsequent impairment testing, the management is required to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

#### Determining the lease term of contracts with renewal and termination options

The Group determine the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Group reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

#### Impairment of assets that not financial asset

The management is required to review assets for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future cash flows of assets including choosing an appropriate discount rate in calculating the present value of the cash flows.

#### Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimated future taxable profits.

#### Retirement employee benefits

The Group has commitments on retirement benefits to employees under the Thai Labour Law. The amount of provision presented in the statement of financial position represents the present value of employee benefit obligations which is determined on an actuarial basis using various assumptions. The assumptions used in determining the net period cost for employee benefits includes the discount rate, the rate of salary inflation and employee turnover and others. Any changes in these assumptions will impact the net periodic cost recorded for employee benefits. On an annual basis the Group determines those assumptions i.e. the appropriate discount rate, which should represent the interest rate that should be used to determine the present value of future cash flows currently expected to be required to settle the employee benefits. In determining the appropriate discount rate, the Group considers the current yields on long-term government bonds.

#### Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit of the lease. Therefore, the incremental borrowing rate of the Group are used to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay for necessary borrowing to acquire the assets, or assets with close value to right-of-use assets in similar economic environment, borrowing period and borrowing security.

## 5. RELATED PARTY TRANSACTIONS AND BALANCES

Relationships between the Group and the Company with related parties are as follows:

Company's name and related person	Nature of relationship
Demco energy and utilities Co., Ltd.	Subsidiary of the Company by direct holding and common director
Demco Power Co., Ltd.	Subsidiary of the Company by direct holding and common director
Demco De lao Co., Ltd.	Subsidiary of the Company by direct holding and common director
Sabayoi Green Co., Ltd.	Subsidiary of Demco energy and utilities Co., Ltd.
Udon Thani Solar Power Co., Ltd.	Joint venture
Indochina Green Energy Co., Ltd.	Joint venture
Mekhong Green Power Co., Ltd.	Joint venture
Frasers Property Demco Power 6 Co., Ltd.	Joint venture
Frasers Property Demco Power 11 Co., Ltd.	Joint venture
Demco Power 15 Co., Ltd.	Formerly joint venture, since May 25, 2024, it is an unrelated party.
Demco Power 16 Co., Ltd.	Joint venture (registered the dissolution of the company on October 17, 2024)
Demco Power 17 Co., Ltd.	Formerly joint venture, since May 25, 2024, it is an unrelated party.
Aeolus Power Co., Ltd.	Associate of the Company by direct holding and common director
K.R.Two Co., Ltd.	Subsidiary of Aeolus Power Co., Ltd.
First Korat Wind Co., Ltd.	Subsidiary of Aeolus Power Co., Ltd.
Khao Kor Wind Power Co., Ltd	The Company is shareholder of Khao Kor Wind Power Co., Ltd
Sustainable energy corporation Co., Ltd	The Company is shareholder of Sustainable energy corporation Co., Ltd.
Wind Energy Holding Co., Ltd.	The Company is shareholder of Wind Energy Holding Co., Ltd.

The pricing policies for particular types of transactions are explained further below:

Transaction	Pricing policy
Revenues from sales	Cost plus margin
Revenues from scrap sales	Market price
Revenues from rendering services	Based on contracts
Interest income	Fixed rate contract
Other income	Agreement price
Dividend income	As announced
Purchase of goods	Cost plus margin
Purchase of fixed assets	Market price
Costs of services	Based on contracts
Rental expenses	Based on contracts
Interest paid	Promissory note rate

5.1 Significant balances with related parties and others as at December 31, 2024 and 2023 are as follows:

Account name / Company's name	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
<b>Trade receivables - related parties</b>				
Demco Power Co., Ltd.	-	-	-	529
Demco Power 15 Co., Ltd.	-	1,279	-	1,279
Demco Power 16 Co., Ltd.	-	966	-	966
Demco Power 17 Co., Ltd.	-	441	-	441
K.R. Two Co., Ltd.	-	58	-	58
Khao Kor Wind Power Co., Ltd.	-	70	-	70
Total	-	2,814	-	3,343
<b>Other receivables - related parties</b>				
Demco Power Co., Ltd.	-	-	1,210	1,260
Demco energy and utilities Co., Ltd.	-	-	127	4
Frasers Property Demco Power 6 Co., Ltd.	23	12	23	12
Frasers Property Demco Power 11 Co., Ltd.	19	10	19	10
Demco Power 15 Co., Ltd.	-	21	-	21
Demco Power 16 Co., Ltd.	-	9	-	9
Demco Power 17 Co., Ltd.	-	58	-	58
Udon Thani Solar Power Co., Ltd.	7	11	7	11
Indochina Green Energy Co., Ltd.	7	11	7	11
Mekhong Green Power Co., Ltd.	7	439	7	439
Total	63	571	1,400	1,835

Account name / Company's name	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
<b>Accrued dividend - related parties</b>				
Mekhong Green Power Co., Ltd.	800	800	800	800
Total	800	800	800	800
<b>Retention receivables - related parties</b>				
First Korat Wind Co., Ltd.	7,823	7,823	7,823	7,823
K.R. Two Co., Ltd.	2,520	2,520	2,520	2,520
Total	10,343	10,343	10,343	10,343
<b>Accrued interest income - related parties</b>				
Demco De lao Co., Ltd.	-	-	3,754	15,837
Frasers Property Demco Power 6 Co., Ltd.	123	4	123	4
Frasers Property Demco Power 11 Co., Ltd.	119	1	119	1
Demco Power 15 Co., Ltd.	-	242	-	242
Demco Power 16 Co., Ltd.	-	8	-	8
Demco Power 17 Co., Ltd.	-	94	-	94
Total	242	349	3,996	16,186
Less Allowance for expected credit losses	(5)	-	(5)	(15,839)
Accrued interest income - Net	237	349	3,991	347
<b>Short-term loans to related parties</b>				
Frasers Property Demco Power 6 Co., Ltd.				
Balance as of beginning	1,661	400	1,661	400
Increase	240	1,261	240	1,261
Decrease	(60)	-	(60)	-
Balance as of ending	1,841	1,661	1,841	1,661
Frasers Property Demco Power 11 Co., Ltd.				
Balance as of beginning	1,437	-	1,437	-
Increase	49	1,437	49	1,437
Decrease	-	-	-	-
Balance as of ending	1,486	1,437	1,486	1,437

Account name / Company's name	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
Demco Power 15 Co., Ltd.				
Balance as of beginning	2,960	2,360	2,960	2,360
Increase	361	600	361	600
Decrease	(3,321)	-	(3,321)	-
Balance as of ending	-	2,960	-	2,960
Demco Power 16 Co., Ltd.				
Balance as of beginning	160	-	160	-
Increase	-	160	-	160
Decrease	(160)	-	(160)	-
Balance as of ending	-	160	-	160
Demco Power 17 Co., Ltd.				
Balance as of beginning	2,100	600	2,100	600
Increase	526	1,500	526	1,500
Decrease	(2,626)	-	(2,626)	-
Balance as of ending	-	2,100	-	2,100
Total Short-term loans to related parties	3,327	8,318	3,327	8,318
Less Allowance for expected credit losses	-	(160)	-	(160)
Short – term loans to related parties -Net	3,327	8,158	3,327	8,158
<b>Long-term loans to related parties</b>				
Demco De lao Co., Ltd.				
Balance as of beginning	-	-	285,692	265,731
Increase	-	-	15,838	-
Decrease from amortized interest	-	-	(176,579)	-
Increase from amortized interest	-	-	7,242	19,961
Balance as of ending	-	-	132,193	285,692
Less Allowance for expected credit losses	-	-	-	(160,741)
Balance as of ending	-	-	132,193	124,951
<b>Payables for project - related parties</b>				
Demco energy and utilities Co., Ltd.	-	-	74,115	74,115
Demco Power Co., Ltd.	-	-	11,992	7,668
Total	-	-	86,107	81,783
<b>Retention payable - related party</b>				
Demco Energy and Utilities Co., Ltd.	-	-	23,773	23,773
Total	-	-	23,773	23,773

Account name / Company's name	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
<b>Share subscription payable -related party</b>				
Sustainable energy corporation Co., Ltd.	76,446	76,446	76,446	76,446
Total	76,446	76,446	76,446	76,446
<b>Accrued Interest expenses - related party</b>				
Demco energy and utilities Co., Ltd.	-	-	127	92
Sustainable energy corporation Co., Ltd.	5,943	5,195	5,943	5,195
Total	5,943	5,195	6,070	5,287
<b>Short-term loans form related parties</b>				
Demco Power Co., Ltd.				
Balance as of begining	-	-	-	13,000
Increase	-	-	-	-
Decrease	-	-	-	(13,000)
Balance as of ending	-	-	-	-
Demco Energy and Utilities Co., Ltd.				
Balance as of begining	-	-	29,000	29,000
Increase	-	-	-	-
Decrease	-	-	-	-
Balance as of ending	-	-	29,000	29,000
<b>Total Short-term loans form related parties</b>	-	-	29,000	29,000



5.2 During the year the Group had significant business transaction with related party are as follows :

Account name / Company's name	Unit : Thousand Baht			
	for the years ended December 31,			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
<b>Revenues from construction service</b>				
Demco Power Co., Ltd.	-	-	38	18,965
Total	-	-	38	18,965
<b>Other incomes</b>				
Demco Energy and Utilities Co., Ltd.	-	-	146	163
Demco Power Co., Ltd.	-	-	4,487	6,921
Demco De lao Co., Ltd.	-	-	48	-
Frasers Property Demco Power 6 Co., Ltd.	131	140	131	140
Frasers Property Demco Power 11 Co., Ltd.	110	115	110	115
Demco Power 15 Co., Ltd.	15	42	15	42
Demco Power 16 Co., Ltd.	23	40	23	40
Demco Power 17 Co., Ltd.	15	42	15	42
Udon Thani Solar Power Co., Ltd.	160	247	160	247
Indochina Green Energy Co., Ltd.	160	248	160	248
Mekhong Green Power Co., Ltd.	175	264	175	264
Total	789	1,138	5,470	8,222
<b>Dividend income</b>				
Wind Energy Holding Co., Ltd.	88,421	113,684	88,421	113,684
Aeolus Power Co., Ltd.	-	-	34,488	109,417
Udon Thani Solar Power Co., Ltd.	-	-	960	1,440
Indochina Green Energy Co., Ltd.	-	-	480	448
Total	88,421	113,684	124,349	224,989

Unit : Thousand Baht				
for the years ended December 31,				
Account name / Company's name	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
<b>Interest incomes</b>				
Demco Power Co., Ltd.	-	-	164	-
Demco De lao Co., Ltd.	-	-	11,246	23,807
Frasers Property Demco Power 6 Co., Ltd.	139	31	139	31
Frasers Property Demco Power 11 Co., Ltd.	118	1	118	1
Demco Power 15 Co., Ltd.	104	166	104	166
Demco Power 16 Co., Ltd.	10	8	10	8
Demco Power 17 Co., Ltd.	78	89	78	89
Total	449	295	11,859	24,102
<b>Purchase of fixed assets</b>				
Demco Power Co., Ltd.	-	-	1,558	-
Total	-	-	1,558	-
<b>Cost of sales</b>				
Demco Power Co., Ltd.	-	-	-	72
Total	-	-	-	72
<b>Cost of services</b>				
Demco Power Co., Ltd.	-	-	26,165	56,776
Total	-	-	26,165	56,776
<b>Interest expenses</b>				
Demco Power Co., Ltd.	-	-	-	130
Demco Energy and Utilities Co., Ltd.	-	-	286	312
Sustainable Energy Corporation Co., Ltd.	748	560	748	560
Total	748	560	1,034	1,002

### 5.3 Directors' and management's remuneration

The Group had employee benefit expenses of directors and management for the years ended December 31, 2024 and 2023 are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
Short-term benefits	40,403	40,596	40,403	40,596
Post-employment benefits	842	1,082	842	1,082
Total	41,245	41,678	41,245	41,678

## 6. SUPPLEMENTARY DISCLOSURE OF CASH FLOW INFORMATION

6.1 The significant non-cash transactions for the years ended December 31, 2024 and 2023 are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate Financial	
	Financial Statements		Statements	
	2024	2023	2024	2023
Increase (decrease) in payable for purchase of fixed assets and intangible asset	4,737	(38)	4,405	1,529
Increase (decrease) in fair value measurement in non-current financial asset	73,974	68,350	73,974	68,350
Increase in right of use	4,642	57,773	3,950	28,843

### 6.2 Reconciliation of liabilities arising from financing activities

	Unit : Thousand Baht				
	Consolidated financial statements				
	Balance	Cash flows	Non-cash transaction		
	as at	Increase	Increase	Decrease	Translation on
	January 1,	(decrease)			Exchange rate
	2024				
Bank Overdrafts and short - term borrowings from financial institution	1,097,028	154,792	-	-	-
Long - term borrowings	92,483	(9,100)	-	-	-
Lease liabilities	61,325	(13,643)	4,642	-	-
Total	1,250,836	132,049	4,642	-	-

Unit : Thousand Baht						
Consolidated financial statements						
	Balance	Cash flows	Non-cash transaction			Balance
	as at	Increase	Increase	Decrease	Translation on	as at
	January 1,	(decrease)			Exchange rate	December 31,
	2023					2023
Bank Overdrafts and short - term						
borrowings from financial institution	1,574,824	(477,796)	-	-	-	1,097,028
Long - term borrowings	80,700	11,783	-	-	-	92,483
Lease liabilities	9,876	(6,324)	57,773	-	-	61,325
Total	1,665,400	(472,337)	57,773	-	-	1,250,836

Unit : Thousand Baht						
Separated financial statements						
	Balance	Cash flows	Non-cash transaction			Balance
	as at	Increase	Increase	Decrease	Translation on	as at
	January 1,	(decrease)			Exchange rate	December 31,
	2024					2024
Bank Overdrafts and short - term						
borrowings from financial institution	1,039,441	(15,725)	-	-	-	1,023,716
Short - term borrowings	29,000	-	-	-	-	29,000
Long - term borrowings	92,483	(9,100)	-	-	-	83,383
Lease liabilities	32,472	(8,495)	3,950	-	-	27,927
Total	1,193,396	(33,320)	3,950	-	-	1,164,026

Unit : Thousand Baht						
Separated financial statements						
	Balance	Cash flows	Non-cash transaction			Balance
	as at	Increase	Increase	Decrease	Translation on	as at
	January 1,	(decrease)			Exchange rate	December 31,
	2023					2023
Bank Overdrafts and short - term						
borrowings from financial institution	1,554,824	(515,383)	-	-	-	1,039,441
Short - term borrowings	42,000	(13,000)	-	-	-	29,000
Long - term borrowings	43,966	48,517	-	-	-	92,483
Lease liabilities	9,644	(6,015)	28,843	-	-	32,472
Total	1,650,434	(485,881)	28,843	-	-	1,193,396

## 7. CASH AND CASH EQUIVALENTS

As at December 31, 2024 and 2023, this account consisted of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
Cash on hand	1,212	1,249	1,145	1,135
Cash at banks - current accounts	34,523	41,080	9,128	8,562
Cash at banks - savings accounts	64,499	59,831	43,638	47,388
Time deposits with maturity not more than 3 months	2	25	2	25
Cheque on hand	46,457	-	-	-
Total	146,693	102,185	53,913	57,110

## 8. TRADE AND OTHER CURRENT RECEIVABLES

8.1 As at December 31, 2024 and 2023, this account consisted of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
<b>Trade receivables</b>				
Trade receivables - other companies	829,387	652,602	693,477	607,586
Trade receivables - related parties	-	2,814	-	3,343
Total	829,387	655,416	693,477	610,929
<u>Less</u> Allowance for expected credit losses	(159,222)	(15,976)	(159,222)	(15,976)
Total trade receivables	670,165	639,440	534,255	594,953
<b>Other current receivables</b>				
Accrued interest income - related parties	242	349	3,996	16,186
Advance to suppliers for goods and services	62,488	95,224	62,467	90,958
Prepaid expenses	26,766	25,604	22,062	22,840
Accrued dividend - related parties	800	800	800	800
Advance payments	8,015	2,543	7,714	2,406
Retention receivables	211,311	145,614	211,311	145,614
Revenue Department receivable	4,304	4,794	496	303
Other receivables	80,046	75,685	82,432	75,927
Others	1,825	5	1,825	5
Total	395,797	350,618	393,103	355,039
<u>Less</u> Allowance for expected credit losses	(30,870)	(1,489)	(30,870)	(17,326)
Total other current receivable	364,927	349,129	362,233	337,713
Total Trade and other current receivables	1,035,092	988,569	896,488	932,666

Trade receivables as at December 31, 2024 and 2023 are classified by aging as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
<b>Trade receivables - Other parties</b>				
Current	377,326	334,611	280,482	307,983
Overdue				
Less than or up to 3 months	112,006	188,237	77,038	176,551
Over 3 months up to 6 months	61,100	101,437	57,002	95,063
Over 6 months up to 12 months	13,291	11,073	13,291	10,744
Over 12 months	265,664	17,244	265,664	17,244
Total Trade receivables - other parties	829,387	652,602	693,477	607,585
<u>Less</u> Allowance for expected credit losses	(159,222)	(15,010)	(159,222)	(15,010)
Total Trade receivables - other parties, net	670,165	637,592	534,255	592,575
<b>Trade receivables - related parties</b>				
Current	-	128	-	128
Overdue				
Less than or up to 3 months	-	-	-	530
Over 12 months	-	2,686	-	2,686
Total Trade receivable – related parties	-	2,814	-	3,344
<u>Less</u> Allowance for expected credit losses	-	(966)	-	(966)
Total Trade receivables – related parties, net	-	1,848	-	2,378
<b>Total</b>	<b>670,165</b>	<b>639,440</b>	<b>534,255</b>	<b>594,953</b>

As at December 31, 2024 and 2023, the Company has transferred the calling right for the collections from the debtors of certain projects of Baht 224.98 million and Baht 269.66 million, respectively, to financial institutions to secure the credit facilities of the Company granted by those financial institutions (See Notes 24 and 29)

As at December 31, 2024, the Company has recognized an additional allowance for expected credit losses on trade receivables of approximately Baht 144 million, from receivables involved in dispute with the Company and those the Company is preparing to file lawsuits against.

Furthermore, on December 31, 2024 and 2023, a particular debtor owed Baht 152.26 million, representing the outstanding balance for completed construction work which the Company has executed and for which the customer has received formal handover documentation and invoicing from the Company. However, the debtor has not yet paid the debt to the Company because the customer issued a communication letter on June 23, 2023, asserting the Company's penalty attributed to the post-contractual deadline completion of construction work, while simultaneously suggesting the offsetting of the remaining work. Responding assertively, the Company dispatched a letter on July 11, 2023, contesting the aforementioned fines. The Company has clarified the causes and obstacles that cause delayed delivery of work refuting accountability for the levied fines and engineering fees, along with asking the customer to pay the remaining amount to the Company and the Company will use the rights under the contract to arrange a management committee meeting, facilitated by representatives of both parties aimed at a comprehensive resolution of the ongoing dispute. Later, on September 28, 2023, the customer sent a letter accepting the fine by letting the Company deduct it from unpaid bill including accept the Company's offer to reach the agreement and close the disputes as mentioned in the contract. However, on October 26, 2023, both parties held a meeting for mediation but could not reach conclusions. Then the Company send a correspondence to the customer to dispute the issues written in the customer's letter dated September 28, 2023 and deny the right of holding the payment by the customer including notify the appointment date and time and venue of holding Management Committee meeting. Then, on February 1, 2024, the Company received a letter from its appointed legal counsel. The legal counsel provided an opinion stating that the contractor had fulfilled its contractual obligations and delivered the work for the customer's use. Consequently, the contractor was entitled to receive the outstanding installment payments. Regarding the fines claimed by the customer, it was inconclusive whether the contractor had breached the contract, thus necessitating a thorough examination of facts and legal provisions. Upon consideration, the management concluded that the Company would receive full payment for the remaining project fees, and there would be no need to allocate provisions for the aforementioned fines in the financial statements year 2023.

On July 12, 2024, the Company submitted a claim to the arbitration tribunal, requesting payment of outstanding service fees from the employer. The employer subsequently requested an extension on four occasions and submitted an objection along with a counterclaim on December 6, 2024. The Company has filed its objection to the employer's counterclaim on February 21, 2025. However, considering the progress of the case, potential external factors affecting debt collection, and uncertainties regarding the timeline for the arbitration decision, the Company has engaged an independent expert to reassess the valuation of the

receivables and determine an appropriate expected credit loss provision in line with the current situation. The Company will continue to closely monitor the legal proceedings and will adjust its estimates accordingly should new information or developments arise that may impact the financial statements in the future.

## 8.2 Trade and other non-current account receivables

As at December 31, 2024 and 2023, this account consisted of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
Trade and other non-current receivables	52,172	55,504	48,263	51,311
- <u>Less</u> Allowance for expected credit losses	(11,752)	(20,298)	(11,752)	(20,298)
- Net	40,420	35,206	36,511	31,013
<u>Less</u> Current portion	(12,460)	(14,723)	(12,460)	(14,723)
Total non-current account receivables, net	27,960	20,483	24,051	16,290

The Group had a trade account receivable that has made a plan to pay installments with the Group, The installment period is approximately 8 years. Therefore, the Group reclassified the transaction to non-current assets. The said value has been discounted by the Incremental Borrowing interest rate.

## 9. CURRENT CONTRACT ASSETS

As at December 31, 2024 and 2023, this account consisted of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
Current contract assets				
- other parties	401,772	303,440	401,684	303,105
- related parties	236	-	236	-
Total	402,008	303,440	401,920	303,105
<u>Less</u> Allowance for expected credit losses	(11,919)	(4,704)	(11,919)	(4,704)
Total current contract assets, net	390,089	298,736	390,001	298,401



Current contract assets as at December 31, 2024 and 2023 are classified by aging as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
Less than or up to 3 months	204,915	104,389	204,827	104,054
Over 3 months up to 6 months	106,600	44,534	106,600	44,534
Over 6 months up to 12 months	76,514	93,773	76,514	93,773
Over 12 months	13,979	60,744	13,979	60,744
Total current contract assets	402,008	303,440	401,920	303,105
<u>Less</u> Allowance for expected credit losses	(11,919)	(4,704)	(11,919)	(4,704)
Total current contract assets, net	390,089	298,736	390,001	298,401

Mostly unbilled contract revenue will be billed to customers within three months, unless otherwise agreed in customer contracts.

As at December 31, 2024 and 2023, the Company has assigned authority for collection or transferred the right of claim to be received repayment from unbilled receivables of Baht 344.43 million and Baht 241.25 million, respectively, to financial institutions to secure the credit facilities of the Company granted by those financial institutions (See Notes 24 and 29)

## 10. SHORT - TERM BORROWINGS

As at December 31, 2024 and 2023, this account consisted of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
<b>Other short - term borrowings</b>				
- Short - term loans to others parties	-	2,760	-	2,760
- Short - term loans to related parties	3,327	8,318	3,327	8,318
<u>Less</u> Allowance for expected credit losses	-	(160)	-	(160)
Total	3,327	10,918	3,327	10,918

## 11. INVENTORIES

As at December 31, 2024 and 2023, this account consisted of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
Finished goods	12,425	31,324	-	-
Work in progress	101,446	101,270	-	13,360
Raw materials	249,352	355,786	156,685	227,716
Supplies	1,488	1,370	-	-
Goods in transit	660	23	495	-
Total	365,371	489,773	157,180	241,076
<u>Less</u> Allowance for diminution in value of inventories	(14,492)	(18,887)	(109)	(3,517)
Total	350,879	470,886	157,071	237,559

## 12. OTHER CURRENT ASSETS

As at December 31, 2024 and 2023, this account consisted of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
Withholding tax	48,963	50,521	37,936	47,273
Undue input VAT	17,390	20,785	16,896	20,724
Input vat	8	117	8	117
Others	8,000	-	-	-
Total	74,361	71,423	54,840	68,114

## 13. RESTRICTED DEPOSITS AT FINANCIAL INSTITUTIONS

As at December 31, 2024 and 2023, deposits at financial institutions of Baht 14.87 million and Baht 21.90 million, respectively are used as collateral against the credit facilities from financial institutions (see Notes 24 and 29).

#### 14. NON-CURRENT FINANCIAL ASSETS

As at December 31, 2024 and 2023, this account consisted of:

				Unit : Thousand Baht			
				Consolidated Financial Statements/ Separate Financial Statements			
Company	Paid-up share capital		%	Book value		Dividend income	
	2024	2023		2024	2023	2024	2023
<b><u>Investments measured at fair value through income statement</u></b>							
Sustainable energy							
corporation Co., Ltd.	562,200	562,200	14.85	114,114	114,114	-	-
<u>Less</u> Impairment investment				(27,491)	(29,061)		
Total Investments measured at fair value through income statement				86,623	85,053		
<b><u>Investments measured at fair value through other comprehensive income</u></b>							
Wind Energy Holding Co., Ltd.	1,088,373	1,088,373	3.87	800,000	800,000	88,421	113,684
Khao Kor Wind Power Co., Ltd.	1,530,000	1,530,000	14.28	218,571	218,571	-	-
Total				1,018,571	1,018,571	88,421	113,684
<u>Add</u> Unrealized gain on investment valuation				1,262,531	1,190,127		
Total Investments measured at fair value through other comprehensive income				2,281,102	2,208,698		
Total non-current financial assets				2,367,725	2,293,751		

##### Sustainable Energy Corporation Co., Ltd

Regarding the company currently has mainly income from services and management consultants, the several past the company has steady business performance and consistently has a small profit. The company management therefore have an opinion that Sustainable energy corporation's book value as at December 31, 2023 reflects the company's fair value at December 31, 2024. As this fair value do not trade in liquidity market and valuation's techniques can not be observed as mentioned. This financial instruments is ranked at level 3.

##### Wind Energy Holding Co., Ltd

The company estimated fair value of Wind Energy Holding Co., Ltd. by referring on Common stock valuation report which was appraised by an independent appraiser, in February 2025. Therefore, the Company referenced the above price as the fair value as at December 31, 2024. As this fair value do not trade in liquidity market and valuation's techniques can be observed as mentioned. This financial instruments is ranked at level 3.

According to the resolution of the Board of Directors' Meeting of Wind Energy Holding Co., Ltd. No.2/2023 held on March 30, 2023 resolved to approve the interim dividend payment to shareholders at the rate of Baht 2.50 per share. The interim dividend payment was on April 7, 2023.

According to the resolution of the Board of Directors' Meeting of Wind Energy Holding Co., Ltd. No.3/2023 held on May 22, 2023 resolved to approve the interim dividend payment to shareholders at the rate of Baht 7.50 per share. The interim dividend payment was on May 24, 2023.

According to the resolution of the Board of Directors' Meeting of Wind Energy Holding Co., Ltd. No.4/2023 held on June 27, 2023 resolved to approve the interim dividend payment to shareholders at the rate of Baht 11.00 per share. The interim dividend payment was on July 3, 2023.

According to the resolution of the Board of Directors' Meeting of Wind Energy Holding Co., Ltd. No.6/2023 held on September 25, 2023 resolved to approve the interim dividend payment to shareholders at the rate of Baht 1.00 per share. The interim dividend payment was on October 6, 2023.

According to the resolution of the Board of Directors' Meeting of Wind Energy Holding Co., Ltd. No.8/2023 held on November 30, 2023 resolved to approve the interim dividend payment to shareholders at the rate of Baht 5.00 per share. The interim dividend payment was on December 4, 2023.

According to the resolution of Board of directors' Meeting of Wind Energy Holdings Co., Ltd. No. 1/2024 held on January 5, 2024, resolved to approve the payment of dividends to shareholders at the rate of Baht 5.00 per share. The interim dividend payment was on January 10, 2024.

According to the resolution of Board of directors' Meeting of Wind Energy Holdings Co., Ltd. No. 4/2024 held on July 1, 2024, resolved to approve the payment of dividends to shareholders at the rate of Baht 10.00 per share. The interim dividend payment was on July 5, 2024.

According to the resolution of Board of directors' Meeting of Wind Energy Holdings Co., Ltd. No. 7/2024 held on November 22, 2024, resolved to approve the payment of dividends to shareholders at the rate of Baht 6.00 per share. The interim dividend payment was on November 25, 2024.

Khao Kor Wind Power Co., Ltd.

The company estimated fair value of Khao Kor Wind Power Co., Ltd by referring book value as at December 31, 2023 due to this price is the best current information that the company had, therefore the company referred this price as fair value as at December 31, 2024. As this fair value do not trade in liquidity market and valuation's techniques can not be observed as mentioned. This financial instruments is ranked at level 3.

Khao Kho Wind Power Co., Ltd has pledged the Company's proprietary shares to used as collateral against the credit facilities from local financial institutions.

## 15. INVESTMENTS IN ASSOCIATES

15.1 Reconciles investments in associates as at December 31, consist of:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Investment in associated January 1	1,453,602	1,502,666	1,206,849	1,206,849
<u>Plus/(Less)</u> Share of profit of associates accounted for using the equity method	21,958	59,544	-	-
Share of other comprehensive income	(1,495)	809	-	-
<u>Less</u> Dividend income	(34,488)	(109,417)	-	-
Total	1,439,577	1,453,602	1,206,849	1,206,849
<u>Less</u> Allowance for impairment of investment	-	-	-	-
Investments in associates balance ending	1,439,577	1,453,602	1,206,849	1,206,849

15.2 Detail of Investments in associates, dividend income and share of profit (loss) of associates as at December 31, 2024 and 2023 consist of:

Company's name	Nature of business	Unit : Thousand Baht							
		Consolidated Financial Statements							
		Paid - up capital		Percentage of shareholding		Cost method		Equity method	
		2024	2023	2024	2023	2024	2023	2024	2023
				(%)	(%)				
Aeolus Power Co., Ltd.	Holding company	1,301,301	1,301,301	25.00	25.00	1,206,849	1,206,849	1,439,577	1,453,602
<u>Less</u> Allowance for impairment of investments						-	-	-	-
Total						1,206,849	1,206,849	1,439,577	1,453,602

		Unit : Thousand Baht			
		Consolidated Financial Statements			
Company 's name		Share of profit (loss) of associates accounted for		Share of other comprehensive income	
		using the equity method		of associates	
		For the years ended December 31		For the years ended December 31	
		2024	2023	2024	2023
Aeolus Power Co., Ltd		21,956	59,544	(1,495)	809
Total		21,956	59,544	(1,495)	809

		Unit : Thousand Baht							
		Separate Financial Statements							
Company 's name	Nature of business	Paid - up capital		Percentage of shareholding		Cost method		Dividend income	
		2024	2023	2024	2023	2024	2023	2024	2023
				(%)	(%)				
Aeolus Power Co., Ltd.	Holding company	1,301,301	1,301,301	25.00	25.00	1,206,849	1,206,849	34,488	109,417
<u>Less</u> Allowance for impairment of investments						-	-		
Total						1,206,849	1,206,849		

None of the Company's associates are publicly listed do not have published price quotations.

Share of profit (loss) for the years ended December 31, 2024 and 2023 of all associated companies calculated from the financial statements for the years ended December 31, 2024 and 2023, the Company will recognize such share of profit (loss) only the shareholding proportion that the parent company has interest in which such financial statements have been audited by such company.

Aeolus Power Co., Ltd.

According to the resolution of the Board of Directors' Meeting of Aeolus Power Co., Ltd. No. 2/2023 held on March 23, 2023 resolved to approve the interim dividend payment to the Company of Baht 46.49 million. The interim dividend payment was on March 31, 2023.

According to the resolution of the Board of Director's Meeting of Aeolus Power Co., Ltd. No. 3/2023 held on June 16, 2023 resolved to approve the interim dividend payment to the Company of Baht 20.99 million. The interim dividend payment was on June 30, 2023.

According to the resolution of the Board of Director's Meeting of Aeolus Power Co., Ltd. No. 4/2023 held on September 18, 2023 resolved to approve the interim dividend payment to the Company of Baht 41.93 million. The interim dividend payment was on September 29, 2023.

According to the resolution of the Board of Directors' Meeting of Aeolus Power Co., Ltd. No. 1/2024 held on March 21, 2024 resolved to approve the interim dividend payment to the Company of Baht 20.99 million. The interim dividend payment was on March 29, 2024.

According to the resolution of the Board of Directors' Meeting of Aeolus Power Co., Ltd. No. 2/2024 held on October 16, 2024 resolved to approve the interim dividend payment to the Company of Baht 13.49 million. The interim dividend payment was on October 31, 2024

15.3 Financial information under consolidated financial statements of the associates.

Detail of net assets

Unit : Thousand Baht					
As at December 31, 2024					
Company's name	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Net - assets
Aeolus Power Co., Ltd	879,296	6,542,862	475,965	1,593,899	5,352,294

Unit : Thousand Baht					
As at December 31, 2023					
Company's name	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Net - assets
Aeolus Power Co., Ltd	745,534	7,156,268	445,618	2,010,559	5,445,625

Detail of Statements of Comprehensive Income

Unit : Thousand Baht	
Aeolus Power Co., Ltd.*	
For the years ended December 31,	
2024	2023
Revenues	1,187,068
Profit (loss) for the year	146,562
Other comprehensive income	(9,845)
<b>Total comprehensive income</b>	<b>136,717</b>

\* The consolidate financial statement of associates consist of parent company interest and non-controlling interest.

Detail of Group's interest in net assets of investee as at December 31, are as follow:

Unit : Thousand Baht	
Aeolus Power Co., Ltd.	
2024	2023
Group's interest in net assets of investee at January 1	818,591
<u>Plus/Less</u> Total comprehensive income (loss) attributable of the Group	20,463
<u>Less</u> Dividends received during the year	(34,488)
Group's interest in net assets of investee at balance ending	804,566
Goodwill	635,011
Carrying amount of interest in investee at at balance ending	1,439,577



## 16. INVESTMENTS IN SUBSIDIARIES

16.1 Reconciles Investments in subsidiaries as at December 31, are as follow:

	<b>Unit : Thousand Baht</b>	
	<b>Separate Financial Statements</b>	
	<b>2024</b>	<b>2023</b>
Investments in subsidiaries – balance forward	347,009	959,418
<u>Plus</u> Capital increase	32,001	-
Recognized according to TFRS 9	94,155	-
Reversal allowance for impairment	123,267	-
<u>Less</u> Allowance for impairment	(94,155)	(612,409)
Investments in subsidiaries - balance ending	<u>502,277</u>	<u>347,009</u>

## 16.2 Detail of investments and dividend income of subsidiaries

		Unit : Thousand Baht							
Company's name	Authorised share capital	Separate Financial Statements							
		Paid - up capital		Percentage of shareholding		Cost method		Dividend income	
		2024	2023	2024	2023	2024	2023	2024	2023
				(%)	(%)				
Demco energy and utilities Co., Ltd.	329,000	148,596	148,596	100.00	100.00	155,350	155,350	-	-
Demco Power Co., Ltd.	200,000	200,000	200,000	100.00	100.00	200,000	200,000	-	-
Demco De lao Co., Ltd.	639,600	454,778	422,777	100.00	100.00	454,778	422,777	-	-
<u>Add</u> Recognized according to TFRS 9						275,446	181,291	-	-
Total Demco De lao Co., Ltd.						730,224	604,068	-	-
Total						1,085,574	959,418		
<u>Less</u> Allowance for impairment of investment						(583,297)	(612,409)		
Investments in subsidiaries - net						502,277	347,009		

### Demco De lao Co., Ltd.

On January 23, 2024 and May 21, 2024 and July 9, 2024, the Company has increased its investment in Demco De lao Co., Ltd. amounting to USD 676,400 (equivalent to Baht 22 million) and amounting to USD 153,870 (equivalent to Baht 5 million) and amounting to USD 155,093 (equivalent to Baht 5 million) respectively due to call up additional share capital of the said company, to expand production capacity in the area that has been expanded into additional concession areas.

## 17. INVESTMENTS IN JOINT VENTURES

17.1 Reconciles investments in joint ventures as at December 31, consist of:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
<b>Investments in joint ventures-balance forward</b>	76,162	113,128	58,019	60,824
<u>Plus/(Less)</u> Share of profit (loss) of investment accounted for using the equity method	4,365	(35,078)	-	-
<u>Less</u> Sale of investments	(6,387)	-	(5,610)	-
<u>(Less)</u> Dividend / Allowance for impairment	(1,440)	(1,888)	-	(2,805)
<b>Investments in joint ventures -balance ending</b>	<u>72,700</u>	<u>76,162</u>	<u>52,409</u>	<u>58,019</u>

17.2 Detail of investments in joint ventures

		Unit : Thousand Baht							
Company's name	Nature of business	Consolidated Financial Statements							
		Paid - up capital		Percentage of shareholding		Cost method		Equity method	
		2024	2023	2024	2023	2024	2023	2024	2023
				(%)	(%)				
Frasers Property Demco Power 6 Co., Ltd.	Generation and supply electricity	5,000	5,000	49.00	49.00	2,450	2,450	3,285	3,477
Frasers Property Demco Power 11 Co., Ltd.	Generation and supply electricity	4,000	4,000	49.00	49.00	1,959	1,959	2,464	2,714
Demco Power 15 Co., Ltd.*	Generation and supply electricity	5,500	5,500	51.00	51.00	-	2,805	-	3,074
Demco Power 16 Co., Ltd.**	Generation and supply electricity	5,500	5,500	51.00	51.00	2,805	2,805	-	-
Demco Power 17 Co., Ltd.*	Generation and supply electricity	5,500	5,500	51.00	51.00	-	2,805	-	3,712
Udon Thani Solar Power Co., Ltd.	Generation and supply electricity	35,000	35,000	45.71	45.71	16,000	16,000	23,559	22,331
Indochina Green Energy Co., Ltd.	Generation and supply electricity	35,000	35,000	45.71	45.71	16,000	16,000	22,467	21,414
Mekhong Green Power Co., Ltd.	Generation and supply electricity	35,000	35,000	45.71	45.71	16,000	16,000	20,925	19,440
Total						55,214	60,824	72,700	76,162
Less Allowance for impairment of investments						(2,805)	(2,805)	-	-
Net						52,409	58,019	72,700	76,162

		Unit : Thousand Baht	
		Consolidated Financial Statements	
		Share of profit (loss) of joint ventures accounted for using the equity method	
		For the years ended December 31	
Company's name		2024	2023
Fraser Property Demco Power 6 Co., Ltd.		(192)	(232)
Fraser Property Demco Power 11 Co., Ltd.		(250)	(160)
Demco Power 15 Co., Ltd. *		(8)	(493)
Demco Power 16 Co., Ltd. **		-	(3,979)
Demco Power 17 Co., Ltd. *		(391)	(977)
Udon Thani Solar Power Co., Ltd.		2,188	(9,288)
Indochina Green Energy Co., Ltd.		1,533	(9,724)
Mekhong Green Power Co., Ltd.		1,485	(10,225)
	Total	4,365	(35,078)

		Unit : Thousand Baht							
		Separate Financial Statements							
Company's name	Nature of business	Paid - up capital		Percentage of shareholding		Cost method		Dividend income	
		2024	2023	2024	2023	2024	2023	2024	2023
				(%)	(%)				
Fraser Property Demco Power 6 Co., Ltd.	Generation and supply electricity	5,000	5,000	49.00	49.00	2,450	2,450	-	-
Fraser Property Demco Power 11 Co., Ltd.	Generation and supply electricity	4,000	4,000	49.00	49.00	1,959	1,959	-	-
Demco Power 15 Co., Ltd. *	Generation and supply electricity	-	5,500	-	51.00	-	2,805	-	-
Demco Power 16 Co., Ltd. **	Generation and supply electricity	5,500	5,500	51.00	51.00	2,805	2,805	-	-
Demco Power 17 Co., Ltd. *	Generation and supply electricity	-	5,500	-	51.00	-	2,805	-	-
Udon Thani Solar Power Co., Ltd.	Generation and supply electricity	35,000	35,000	45.71	45.71	16,000	16,000	960	1,440
Indochina Green Energy Co., Ltd.	Generation and supply electricity	35,000	35,000	45.71	45.71	16,000	16,000	480	448
Mekhong Green Power Co., Ltd.	Generation and supply electricity	35,000	35,000	45.71	45.71	16,000	16,000	-	-
Total						55,214	60,824	1,440	1,888
Less Allowance for impairment of investments						(2,805)	(2,805)		
Net						52,409	58,019		

\* According to the report of the special board meeting No. 3/2023 held on February 14, 2023, a resolution was passed to sign a "Memorandum of Understanding" to proceed with the purchase of shares with joint venture partners in two joint venture companies. Subsequently, the joint venture partners expressed their intention to purchase common shares in both joint venture companies. On February 19, 2024, the Company convened a meeting with its joint venture partners to discuss and finalize the sale transaction. Subsequently, on May 24, 2024, the Company has entered into agreements to sell shares in both joint ventures and has entered into a memorandums of understanding with the joint venture partners. The Company had already received the total value of the shares sold on May 27, 2024, and both joint ventures have duly filed the changes in their shareholder registry (Bor Or Jor.5) with the Ministry of Commerce. Both parties to the agreements are required to comply with the terms and condition specified in the agreements and memorandums.

\*\*According to the report of the company's board meeting No. 6/2023 held on September 28, 2023, a resolution was passed to liquidate Demco Power 16 Company Limited. Subsequently, at the extraordinary general meeting of shareholders of Demco Power 16 Company Limited held on October 4, 2024, a resolution was passed to dissolve the company, which was duly registered with the Ministry of Commerce on October 17, 2024. Currently in the process of liquidation and review various relevant taxes by the Revenue Department. Demco Power 16 Company Limited has submitted a letter to the Metropolitan Electricity Authority requesting the cancellation of the power purchase agreement and has completed the dismantling of equipment and restoration of the site.

### 17.3 Financial information under financial statements of the joint ventures

#### Detail of net asset

Unit : Thousand Baht					
As at December 31, 2024					
Company's name	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Net - assets
Fraser Property Demco Power 6 Co., Ltd.	670	9,467	2,948	-	7,189
Fraser Property Demco Power 11 Co., Ltd.	531	7,049	2,226	-	5,354
Demco Power 16 Co., Ltd.	107	-	1,022	-	(915)
Udon Thani Solar Power Co., Ltd.	18,973	37,272	4,960	-	51,285
Indochina Green Energy Co., Ltd.	15,325	37,390	3,641	-	49,074
Mekhong Green Power Co., Ltd.	12,859	37,451	4,631	-	45,679

Unit : Thousand Baht					
As at December 31, 2023					
Company's name	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Net - assets
Fraser Property Demco Power 6 Co., Ltd.	751	10,148	3,782	63	7,054
Fraser Property Demco Power 11 Co., Ltd.	662	7,555	2,719	-	5,498
Demco Power 15 Co., Ltd.	3,138	11,356	6,495	-	7,999
Demco Power 16 Co., Ltd.	1,812	-	4,955	-	(3,143)
Demco Power 17 Co., Ltd.	735	11,375	4,995	-	7,115
Udon Thani Solar Power Co., Ltd.	16,906	39,800	8,051	-	48,655
Indochina Green Energy Co., Ltd.	14,543	39,920	7,617	-	46,846
Mekhong Green Power Co., Ltd.	13,312	39,987	10,781	-	42,518

Detail of total comprehensive income

	Unit : Thousand Baht					
	For the years ended December 31, 2024			For the years ended December 31, 2023		
		Net profit	Total comprehensive		Net profit	Total comprehensive
	Revenue	(loss)	income	Revenue	(loss)	income
Fraser Property Demco Power 6 Co., Ltd.	1,464	138	138	1,392	(474)	(474)
Fraser Property Demco Power 11 Co., Ltd.	876	(142)	(142)	997	(328)	(328)
Demco Power 15 Co., Ltd.	-	-	-	2,921	1,175	1,175
Demco Power 16 Co., Ltd.	4,676	2,320	2,320	1,377	(10,746)	(10,746)
Demco Power 17 Co., Ltd.	-	-	-	27	(1,888)	(1,888)
Udon Thani Solar Power Co., Ltd.	10,389	4,723	4,723	14,031	(20,319)	(20,319)
Indochina Green Energy Co., Ltd.	8,986	3,278	3,278	13,797	(21,280)	(21,280)
Mekhong Green Power Co., Ltd.	8,911	3,161	3,161	12,649	(22,369)	(22,369)
Total	35,302	13,478	13,478	47,191	(76,229)	(76,229)



Detail of Group's interest in net assets of investee

	Unit : Thousand Baht							
	For the years ended December 31, 2024							
	Frasers Property	Frasers Property	Demco Power	Demco Power	Demco Power	Udon Thani	Indochina	Mekhong Green
	Demco Power 6	Demco Power 11	15 Co., Ltd.	16 Co., Ltd.	17 Co., Ltd	Solar Power	Green Energy	Power Co., Ltd.
	Co., Ltd.	Co.,Ltd.				Co., Ltd.	Co., Ltd.	
Group’s interest in net assets of investee at balance forward	3,477	2,714	3,074	-	3,712	22,331	21,414	19,440
Plus /Less Total comprehensive income (expense) attributable to the Group	(192)	(250)	(269)	-	(907)	2,188	1,533	1,485
Less Dividends received during the year	-	-	-	-	-	(960)	(480)	-
Less Sale of investment during the year			(2,805)	-	(2,805)	-	-	-
Group’s interest in net assets of investee at balance ending	3,285	2,464	-	-	-	23,559	22,467	20,925

	Unit : Thousand Baht							
	For the years ended December 31, 2023							
	Frasers Property	Frasers Property	Demco Power	Demco Power	Demco Power	Udon Thani	Indochina	Mekhong Green
	Demco Power 6	Demco Power 11	15 Co., Ltd.	16 Co., Ltd.	17 Co., Ltd	Solar Power	Green Energy	Power Co., Ltd.
	Co., Ltd.	Co.,Ltd.				Co., Ltd.	Co., Ltd.	
Group’s interest in net assets of investee at balance forward	3,709	2,874	3,567	3,979	4,689	33,059	31,586	29,665
<u>Plus /Less</u> Total comprehensive income (expense) attributable to the Group	(232)	(160)	(493)	(3,979)	(977)	(9,288)	(9,724)	(10,225)
<u>Less</u> Dividends received during the year	-	-	-	-	-	(1,440)	(448)	-
<b>Group’s interest in net assets of investee at balance ending</b>	<b>3,477</b>	<b>2,714</b>	<b>3,074</b>	<b>-</b>	<b>3,712</b>	<b>22,331</b>	<b>21,414</b>	<b>19,440</b>

## 18. LONG - TERM LOANS

As at December 31, 2024 and 2023, this account consisted of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
Long - term loans - subsidiaries	-	-	400,397	384,560
<u>Less</u> Deferred interest	-	-	(268,204)	(98,868)
Total	-	-	132,193	285,692
<u>Less</u> Allowance for expected credit losses	-	-	-	(160,741)
Total long-term loans - net	-	-	132,193	124,951

The Company has measured the value of long-term loans by the amortized cost method discounted by the subsidiary's incremental borrowing rate. The rate of such incremental borrowing is 9% per annum (As at December 31, 2024 and 2023, the contractual interest rate is 1% per annum and 1 - 2% per annum respectively).

At the board meeting No. 8/2023 held on December 28, 2023, a resolution was passed to approve the restructuring of long-term loans. Subsequently, on January 1, 2024, the Company signed a debt restructuring agreement with Demco De lao Co., Ltd. (DDL), whereby outstanding interest receivables of Baht 15.84 million and the principal amount under the original loan agreement of Baht 384.56 million were consolidated into the principal amount of the new loan agreement totaling Baht 400.40 million. The new loan agreement has a duration of 22 years, with an annual interest rate of 1 percent.

The impact from such debt restructuring is as follows:

A. Impact on Statement of Financial Position

	Unit : Thousand Baht		
	Separate Financial Statements		
	Statement of Financial Position		
	Before Debt Restructuring		After Debt Restructuring
	As at December 31, 2023	Increase (Decrease)	As at January 1, 2024
Long-term loan to subsidiary			
– Demco De lao Co., Ltd.	384,560	15,837	400,397
Deferred interest receivables	(98,867)	(176,579)	(275,446)
Net	285,693	(160,742)	124,951
Allowance for expected credit losses	(160,742)	160,742	-
Long-term loan to subsidiary - net	124,951	-	124,951
Interest receivables – Demco De lao Co., Ltd.	15,837	(15,837)	-
Allowance for expected credit losses	(15,837)	15,837	-
Interest receivables - net	-	-	-
Investment in subsidiary			
– Demco De lao Co., Ltd.	422,777	-	422,777
Recognized according to TFRS 9	181,291	94,155	275,446
Total investment in subsidiary	604,068	94,155	698,223
Allowance for impairment - Investments	(604,068)	(94,155)	(698,223)
Total investment in subsidiary - net	-	-	-

B. The Company demonstrates the impact from debt restructuring in the statements of comprehensive income on a net basis, with no impact to profit and loss for the year ended December 31, 2024. Details are as follows :

	<b>Unit : Thousand Baht</b>
	<b>Separate Financial Statements</b>
	<b>2024</b>
Reversal of impairment loss determined in accordance with TFRS 9 - Long - term loans	(160,742)
Reversal of impairment loss determined in accordance with TFRS 9 - Interest receivables	(15,837)
Impairment loss - Investment	94,155
Loss from debt restructuring	82,424
Net	-

## 19. INVESTMENT PROPERTIES

As at December 31, 2024 and 2023, this account consisted of:

	<b>Unit : Thousand Baht</b>	
	<b>Consolidated Financial Statements/</b>	
	<b>Separate Financial Statements</b>	
	<b>2024</b>	<b>2023</b>
Cost	8,000	8,000
<u>Less</u> Accumulated allowance impairment	(160)	(160)
Net book value	<u>7,840</u>	<u>7,840</u>

As at December 31, 2024 and 2023, the Company's investment properties have value of Baht 7.84 million was appraised by an independent appraiser appraised during the year 2021 by using the Market Approach.



Unit : Thousand Baht

Separate Financial Statements								
	Land and Improvement	Building and Improvemen Equipment	Machines and Equipment	Furniture and Office equipment	Vehicles	Solar Power Equipment	Construction in Progress	Total
<b>Cost</b>								
As at January 1, 2023	61,612	45,616	100,862	37,070	74,119	32,479	72,276	424,034
Purchase	-	-	3,537	1,691	-	-	42,483	47,711
Transfer in (out)	72	2,180	-	4,658	-	25,039	(27,291)	4,658
Disposal	-	(280)	(6,177)	(3,128)	(4,321)	(25,039)	-	(38,945)
As at December 31, 2023	61,684	47,516	98,222	40,291	69,798	32,479	87,468	437,458
Purchase	-	351	2,526	1,375	-	-	31,614	35,866
Transfer in (out)	4,005	2,040	-	2,878	-	50,037	(56,082)	2,878
Disposal	-	-	(1,778)	(752)	(1,476)	-	-	(4,006)
As at December 31, 2024	65,689	49,907	98,970	43,792	68,322	82,516	63,000	472,196
<b>Accumulated depreciation</b>								
As at January 1, 2023	28,419	24,557	75,471	26,307	37,578	2,198	-	194,530
Depreciation for the year	3	2,290	6,682	3,112	4,230	2,379	-	18,696
Transfer in (out)	-	-	-	3,633	-	-	-	3,633
Disposal	-	(280)	(3,816)	(2,519)	(2,579)	(216)	-	(9,410)
As at December 31, 2023	28,422	26,567	78,337	30,533	39,229	4,361	-	207,449
Depreciation for the year	574	2,271	5,912	3,165	4,138	3,559	-	19,619
Transfer in (out)	-	-	-	1,618	-	-	-	1,618
Disposal	-	-	(1,695)	(705)	(705)	-	-	(3,105)
As at December 31, 2024	28,996	28,838	82,554	34,611	42,662	7,920	-	225,581
<b>Book value as at,</b>								
December 31, 2024	36,693	21,069	16,416	9,181	25,660	74,596	63,000	246,615
December 31, 2023	33,262	20,949	19,885	9,758	30,569	28,118	87,468	230,009
<b>Depreciation for the years ended December 31,</b>								
2024								19,619
2023								18,696

The original cost of building improvement and equipment have been fully depreciated but are still in use as at December 31, 2024 and 2023, in consolidated financial statements amounted to Baht 118.09 million and Baht 108.99 million, and in separate financial statement amounted to Baht 101.96 million and 95.20 million, respectively.

As at December 31, 2024 and 2023, a subsidiary has pledged land, building and certain machines as collateral for credit facilities granted by financial institutions (See note 24 and 29).

## 21. RIGHT OF USE ASSET

Movement of Right of use assets for the year ended December 31, 2024 and 2023 are as follows:

		Unit : Thousand Baht						
		Consolidated Financial Statements						
		Machines			Furniture			
		Land and	and	Solar power	and Office			
		Improvement	Equipment	equipment	equipment	Vehicles	Other	Total
Cost								
As at January 1, 2023		14,102	1,540	-	9,874	7,295	2,184	34,995
Purchase		-	10,551	43,565	1,125	2,531	-	57,772
Transfer in (out)		-	-	-	(4,658)	-	-	(4,658)
Disposal		-	-	-	(26)	-	-	(26)
As at December 31, 2023		14,102	12,091	43,565	6,315	9,826	2,184	88,083
Purchase		858	-	-	559	3,226	-	4,643
Transfer in (out)		-	(1,540)	-	(2,878)	-	-	(4,418)
Disposal		(1,570)	-	-	-	(5,337)	-	(6,907)
As at December 31, 2024		13,390	10,551	43,565	3,996	7,715	2,184	81,401
Accumulated depreciation								
As at January 1, 2023		2,197	562	-	4,537	3,420	313	11,029
Depreciation for the year		1,104	1,848	937	1,717	2,162	435	8,203
Transfer in (out)		-	-	-	(3,633)	-	-	(3,633)
Disposal		-	-	-	(12)	-	(38)	(50)
As at December 31, 2023		3,301	2,410	937	2,609	5,582	710	15,549
Depreciation for the year		1,092	2,014	2,910	1,196	3,009	576	10,797
Transfer in (out)		-	(999)	-	(1,618)	-	-	(2,617)
Disposal		(1,571)	-	-	-	(5,337)	-	(6,908)
As at December 31, 2024		2,822	3,425	3,847	2,187	3,254	1,286	16,821
Book value as at,								
December 31, 2024		10,568	7,126	39,718	1,809	4,461	898	64,580
December 31, 2023		10,801	9,681	42,628	3,706	4,244	1,474	72,534
Depreciation for the years ended December 31,								
2024								10,797
2023								8,203

Unit : Thousand Baht

Separate Financial Statements							
	Land and Improvement	Solar power equipment	Machines and Equipment	Furniture and Office equipment	Vehicles	Other	Total
<b>Cost</b>							
As at January 1, 2023	1,571	-	-	9,639	7,349	2,184	20,743
Purchase	-	25,187	-	1,125	2,531	-	28,843
Transfer in (out)	-	-	-	(4,658)	-	-	(4,658)
Disposal	-	-	-	(26)	-	-	(26)
As at December 31, 2023	1,571	25,187	-	6,080	9,880	2,184	44,902
Purchase	858	-	-	559	2,533	-	3,950
Transfer in (out)	-	-	-	(2,878)	-	-	(2,878)
Disposal	(1,571)	-	-	-	(5,337)	-	(6,908)
As at December 31, 2024	858	25,187	-	3,761	7,076	2,184	39,066
<b>Accumulated depreciation</b>							
As at January 1, 2023	699	-	-	4,590	3,100	313	8,702
Depreciation for the year	604	595	-	1,670	2,172	435	5,476
Transfer in (out)	-	-	-	(3,633)	-	-	(3,633)
Disposal	-	-	-	(12)	-	-	(12)
As at December 31, 2023	1,303	595	-	2,615	5,272	748	10,533
Depreciation for the year	592	1,682	-	1,148	3,020	435	6,877
Transfer in (out)	-	-	-	(1,618)	-	-	(1,618)
Disposal	(1,571)	-	-	-	(5,337)	-	(6,908)
As at December 31, 2024	324	2,277	-	2,145	2,955	1,183	8,884
<b>Book value as at,</b>							
December 31, 2024	534	22,910	-	1,616	4,121	1,001	30,182
December 31, 2023	268	24,592	-	3,465	4,608	1,436	34,369
<b>Depreciation for the years ended December 31,</b>							
2024							6,877
2023							5,476

The group lease several assets including land, buildings, machines, equipment and vehicles of which average lease term during 2 - 15 years.

#### Parent company

The parent company performed the contract of hire purchase of vehicle with several companies. Such lease contract comprises the company's directors as guarantors. In addition, ownership of such asset will transfer to ownership of the company when the company pays the final installment in accordance with the lease contract.

#### Subsidiary (Demco Power Co., Ltd.)

The subsidiaries performed the contract of hire purchase of vehicle with several companies. Such lease contract comprises the company's directors as guarantors. In addition, ownership of such asset will transfer to ownership of the company when the company pays the final installment in accordance with the lease contract.



## 22. INTANGIBLE ASSET

Movement of intangible asset for the years ended December 31, 2024 and 2023 are as follows:

Unit : Thousand Baht							
	Consolidated Financial Statements				Separate Financial Statements		
	Concession right of water supply	Computer Software	During development Software	Total	Computer Software	During development Software	Total
<b>Cost</b>							
As at January 1, 2023	826,679	56,340	-	883,019	51,671	-	51,671
Purchase	235	1,608	258	2,101	1,608	-	1,608
Transfer in (out)	131	-	(131)	-	-	-	-
Disposal	-	(72)	-	(72)	(72)	-	(72)
As at December 31, 2023	827,045	57,876	127	885,048	53,207	-	53,207
Purchase	33,289	1,479	-	34,768	1,479	-	1,479
Transfer in (out)	(238)	-	-	(238)	-	-	-
Disposal	(279)	(545)	-	(824)	(532)	-	(532)
As at December 31, 2024	859,817	58,810	127	918,754	54,154	-	54,154
<b>Accumulated amortization</b>							
As at January 1, 2023	116,838	31,947	-	148,785	27,920	-	27,920
Amortization for the year	15,664	4,299	-	19,963	4,050	-	4,050
Transfer in (out)	-	-	-	-	-	-	-
Disposal	-	(72)	-	(72)	(72)	-	(72)
As at December 31, 2023	132,502	36,174	-	168,676	31,898	-	31,898
Amortization for the year	3,380	4,142	-	7,522	4,014	-	4,014
Transfer in (out)	-	-	-	-	-	-	-
Disposal	-	(545)	-	(545)	(532)	-	(532)
As at December 31, 2024	135,882	39,771	-	175,653	35,380	-	35,380
<b>Allowance for impairment</b>							
As at January 1, 2023	-	-	-	-	-	-	-
Increase (decrease)	568,733	-	-	568,733	-	-	-
As at January 1, 2024	568,733	-	-	568,733	-	-	-
Increase (decrease)	(132,121)	-	-	(132,121)	-	-	-
As at December 31, 2024	436,612	-	-	436,612	-	-	-
<b>Book value as at,</b>							
December 31, 2024	287,323	19,039	127	306,489	18,774	-	18,774
December 31, 2023	125,810	21,702	127	147,639	21,309	-	21,309
<b>Amortization for the years ended December 31,</b>							
2024				7,522			4,014
2023				19,963			4,050

The original cost of intangible asset have been fully amortized but are still in use as at December 31, 2024 and 2023, in consolidated financial statements amounted to Baht 24.09 million and Baht 23.11 million, respectively, and separate financial statements amounting to Baht 21.24 million and Baht 20.40 million, respectively.

As of December 31, 2023, the subsidiary company assessed the expected recoverable value of assets under the concession project in Laos. This valuation was conducted using the discounted cash flow method based on the value-in-use criterion throughout the concession agreement period. The discount rate (pre-tax) used for estimating the value was 5.32 percent per annum. It was found that the expected recoverable value of the assets under the concession agreement was lower than their carrying amount in the accounts, resulting in the subsidiary company recording a loss from impairment of assets. For the fiscal year ending December 31, 2023, this loss amounted to Baht 568.73 million, as reflected in the consolidated financial statements.

As of December 31, 2024, management has reviewed and updated its assumptions to align with the current situation. This reassessment was driven by the subsidiary has expanded its business investment, resulting in an increase in water sales volume. Additional, it has been able to adjust water prices. Given these changing factors, the subsidiary reassessed the recoverable amount of assets under its concession project in Laos based on the value-in-use approach, using a discounted cash flow (DCF) method over the remaining concession period. The discount rate (pre-tax) applied in the valuation was 5.32% per annum. The assessment indicated that the recoverable amount of the concession assets exceeded their carrying value, which had previously been subject to an impairment loss. As a result, the subsidiary recognized a reversal of an impairment loss on these assets in the consolidated financial statements for the year ended December 31, 2024, amounting to Baht 132 million.

## 23. DEFERRED TAX ASSETS (DEFERRED TAX LIABILITIES)

Deferred tax assets (Deferred tax liabilities) as at December 31, are as follows:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Deferred tax assets	10,341	8,240	-	-
<u>Less</u> Deferred tax liabilities	(89)	(24)	-	-
Net deferred tax assets	10,252	8,216	-	-
Deferred tax assets	61,524	68,603	61,524	68,603
<u>Less</u> Deferred tax liabilities	(258,227)	(241,692)	(255,514)	(241,692)
Net deferred tax assets	(196,703)	(173,089)	(193,990)	(173,089)

Movements in total deferred tax assets and liabilities during the years ended December 31, 2024 and 2023 were as follows:

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at	Movement increase/(decrease)		As at
	January	Profit or loss	Other	December
	1, 2024		comprehensive	31, 2024
			income (expense)	
<b>Deferred tax assets</b>				
<u>Deferred tax assets</u>				
Allowance for diminution in value of inventories	3,074	(329)	-	2,745
Provisions for employee benefits	3,491	2,202	-	5,693
Others	1,674	140	-	1,814
Total Deferred tax assets	8,239	2,013	-	10,252
<u>Deferred tax liabilities</u>				
Lease Liabilities	23	23	-	-
Total Deferred tax liabilities	23	23	-	-
Total	8,216	2,036	-	10,252

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at	Movement increase/(decrease)		As at
	January	Profit or loss	Other	December 31,
	1, 2024		comprehensive	2024
			income (expense)	
<b>Deferred tax liabilities</b>				
<u>Deferred tax assets</u>				
Allowance expected credit loss receivable	4,238	38,515	-	42,753
Allowance for diminution in value of inventories	703	(681)	-	22
Allowance impairment of investment property	32	-	-	32
Other Current provisions	4,608	361	-	4,969
Provisions for employee benefits	12,717	1,031	-	13,748
Loss carry forward	46,305	(46,305)	-	-
Total Deferred tax assets	68,603	(7,079)	-	61,524
<u>Deferred tax liabilities</u>				
Lease liabilities	3,386	(604)	-	2,782
Depreciation of assets	282	(55)	-	227
Gain from measurement fair value	238,024	-	14,481	252,505
Other	-	2,713	-	2,713
Total Deferred tax liabilities	241,692	2,054	14,481	258,227
Total	(173,089)	(9,133)	(14,481)	(196,703)

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at	Movement increase/(decrease)	As at	
	January	Profit or loss	December 31,	
	1, 2023	Other	2023	
		comprehensive		
		income (expense)		
Deferred tax assets				
Deferred tax assets				
Allowance for diminution in value of inventories	2,152	922	-	3,074
Provisions for employee benefits	3,226	265	-	3,491
Other	1,545	129	-	1,674
Total Deferred tax assets	6,923	1,316	-	8,239
Deferred tax liabilities				
Lease Liabilities	163	140	-	23
Total Deferred tax liabilities	163	140	-	23
Total	6,760	1,176	-	8,216

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at	Movement increase/(decrease)		As at
	January	Profit or loss	Other	December
	1, 2023		comprehensive	31, 2023
			income (expense)	
<b>Deferred tax liabilities</b>				
<u>Deferred tax assets</u>				
Allowance expected credit loss receivable	4,238	-	-	4,238
Allowance for diminution in value of inventories	294	409	-	703
Allowance impairment of investment property	32	-	-	32
Other Current provisions	4,249	359	-	4,608
Provisions for employee benefits	12,045	672	-	12,717
Loss carry forward	46,305	-	-	46,305
Total Deferred tax assets	67,163	1,440	-	68,603
<u>Deferred tax liabilities</u>				
Lease liabilities	5,788	(2,402)	-	3,386
Depreciation of assets	341	(59)	-	282
Gain from measurement fair value	224,354	-	13,670	238,024
Other	46,262	(46,262)	-	-
Total Deferred tax liabilities	276,745	(48,723)	13,670	241,692
Total	(209,582)	50,163	(13,670)	(173,089)

	Unit : Thousand Baht			
	Separate Financial Statements			
	As at	Movement increase/(decrease)		As at
	January	Profit or loss	Other	December
	1, 2024		comprehensive	31, 2024
			income (expense)	
<b>Deferred tax assets (liabilities)</b>				
<u>Deferred tax assets</u>				
Allowance expected credit loss receivable	4,238	38,515	-	42,753
Allowance for diminution in value of inventories	703	(681)	-	22
Allowance impairment of investment property	32	-	-	32
Other Current provisions	4,608	361	-	4,969
Provisions for employee benefits	12,717	1,031	-	13,748
Loss carry forward	46,305	(46,305)	-	-
Total Deferred tax assets	68,603	(7,079)	-	61,524
<u>Deferred tax liabilities</u>				
Lease liabilities	3,386	(605)	-	2,781
Depreciation of assets	282	(55)	-	227
Gain from measurement fair value	238,024	-	14,482	252,506
Total Deferred tax liabilities	241,692	(660)	14,482	255,514
Total	(173,089)	(6,419)	(14,482)	(193,990)

	Unit : Thousand Baht			
	Separate Financial Statements			
	As at	Movement increase/(decrease)		As at
	January	Profit or loss	Other	December
	1, 2023		comprehensive	31, 2023
			income (expense)	
<b>Deferred tax assets (liabilities)</b>				
<u>Deferred tax assets</u>				
Allowance expected credit loss receivable	4,238	-	-	4,238
Allowance for diminution in value of inventories	294	409	-	703
Allowance impairment of investment property	32	-	-	32
Other Current provisions	4,249	359	-	4,608
Provisions for employee benefits	12,046	672	-	12,718
Loss carry forward	46,305	-	-	46,305
Total Deferred tax assets	67,164	1,440	-	68,604
<u>Deferred tax liabilities</u>				
Lease liabilities	5,788	(2,402)	-	3,386
Depreciation of assets	341	(59)	-	282
Gain from measurement fair value	224,354	-	13,670	238,024
Total Deferred tax liabilities	230,483	(2,461)	13,670	241,692
Total	(163,319)	3,901	(13,670)	(173,088)

## 24. BANK OVERDRAFT AND SHORT - TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

As at December 31, 2024 and 2023, this account consisted of:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Bank overdraft	28	-	28	-
Short – term borrowings	-	1,288	-	1,288
Trust receipt	477,541	526,439	329,437	476,852
Promissory note	774,251	569,301	694,251	561,301
Total	1,251,820	1,097,028	1,023,716	1,039,441

Details of bank overdraft and short - term borrowings from financial institutions as at December 31, 2024 and 2023 are classified as follows:

	Unit : Thousand Baht			
	As at December 31, 2024		2024	2023
	Interest rate % per annum	Due (months)		
<b>Demco Plc. Co., Ltd.</b>				
Bank overdraft	7.325	-	28	-
Short – term borrowings	-	-	-	1,288
Trust receipt	2.85 - 5.07	3 - 6	329,437	476,852
Promissory note	4.65 - 6.90	2 - 6	694,251	561,301
Total			1,023,716	1,039,441
<b>Demco Power Co., Ltd.</b>				
Trust receipt	3.10 - 3.15	6	148,104	49,587
Promissory note	7.15 - 7.35	3	80,000	8,000
Total			228,104	57,587
Total			1,251,820	1,097,028

The Group has credit facilities for bank overdraft, letters of guarantee, and short - term borrowings from financial institutions which are guaranteed by deposits at financial institutions (See Note 13), the plots of land, buildings and certain machines (See Notes 20). In addition, the Company has transferred the right of claim to receive money from the debtors under the service agreement for certain projects (See Note 8.1), unbilled contract assets (See Note 9) and beneficiary from asset insurance of the Group to financial institutions to secure such credit facilities. As for the credit facilities of such subsidiary, the Company which is the parent company is also guarantor.

## 25. TRADE AND OTHER CURRENT PAYABLES

As at December 31, 2024 and 2023, this account consisted of:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Trade payables	340,480	372,613	338,877	255,794
Payables for project	322,247	222,092	332,881	303,875
Retention payables	79,299	85,982	103,030	109,435
Share subscription payable	76,446	76,446	76,446	76,446
Accrued expenses	45,105	42,517	32,184	38,340
Others	54,909	28,955	34,362	24,823
Total	918,486	828,605	917,780	808,713

## 26. CURRENT LIABILITIES RESULTING FROM THE CONTRACT

As at December 31, 2024 and 2023, this account consisted of:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Deposit received in advance				
from customer	308,343	125,954	292,367	103,002
Income received in advance	61,508	293,464	60,621	292,445
Total	369,851	419,418	352,988	395,447

## 27. OTHER CURRENT PROVISIONS

As at December 31, 2024 and 2023, this account consisted of:

	Unit : Thousand Baht	
	Consolidated Financial Statements/ Separate Financial Statements	
	2024	2023
Balance as at January 1,	26,293	21,241
Increase during the year	11,943	7,189
Decrease	(12,308)	(2,137)
Balance as at December 31,	25,928	26,293

Provision for onerous contracts in the consolidated financial statement and separate financial statements arises from expense provision about current contract assets.

## 28. OTHER CURRENT LIABILITIES

As at December 31, 2024 and 2023, this account consisted of:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Undue output VAT	49,376	45,765	44,488	40,872
Others	490	-	490	-
Total	49,866	45,765	44,978	40,872

## 29. LONG - TERM BORROWINGS

As at December 31, 2024 and 2023, this account consisted of:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Long - term borrowings from financial institutions	83,383	92,483	83,383	92,483
<u>Less</u> Current portion of long - term borrowings	(10,551)	(9,100)	(10,551)	(9,100)
Total	72,832	83,383	72,832	83,383

Long - term borrowings from financial institutions as at December 31, 2024 and 2023 are as follows:

		Unit : Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		2024	2023	2024	2023
Borrowings	Credit facility Baht 100.00 million	83,383	92,483	83,383	92,483
<u>Less</u> Current portion of long - term borrowings		(10,551)	(9,100)	(10,551)	(9,100)
Net		72,832	83,383	72,832	83,383

Movement of long - term borrowings is as follows:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Balance as at January 1,	92,483	80,700	92,483	43,966
<u>Add</u> Received loans during the year	-	82,572	-	82,572
<u>Less</u> Repayments of loans during the year	(9,100)	(70,789)	(9,100)	(34,055)
Balance as at December 31,	83,383	92,483	83,383	92,483



The Company has long-term borrowings of a credit lines from financial institution of amount Baht 100 million, was a loan from a bank to pay for equipment and tools for the construction and installation of solar power generation systems (Solar Rooftop) and interest payments were made every month. The interest rate was MLR-1.75% per annum, no collateral.

### 30. LEASE LIABILITIES

30.1 Lease liabilities represent liabilities from the lease of vehicles and other assets. The future lease payments are summarized as at December 31, 2024 and 2023 as follows:

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	Minimum lease payments		Present value of minimum lease payments	
	2024	2023	2024	2023
<b>Payment period</b>				
Not later than 1 year	14,697	14,421	12,679	12,085
Later than 1 year and not later than 5 years	42,591	53,616	39,645	49,240
Total	57,288	68,037	52,324	61,325
<u>Less</u> Future finance charges	(4,964)	(6,712)	-	-
Present value of minimum lease payments	52,324	61,325	52,324	61,325
<u>Less</u> Current portion of lease liabilities	(12,680)	(12,085)	(12,680)	(12,085)
Total	39,644	49,240	39,644	49,240

	Unit : Thousand Baht			
	Separate Financial Statements			
	Minimum lease payments		Present value of minimum lease payments	
	2024	2023	2024	2023
<b>Payment period</b>				
Not later than 1 year	8,642	8,566	7,652	7,436
Later than 1 year and not later than 5 years	21,709	27,313	20,275	25,036
Total	30,351	35,879	27,927	32,472
<u>Less</u> Future finance charges	(2,424)	(3,407)	-	-
Present value of minimum lease payments	27,927	32,472	27,927	32,472
<u>Less</u> Current portion of lease liabilities	(7,652)	(7,436)	(7,652)	(7,436)
Total	20,275	25,036	20,275	25,036

30.2 Amounts recognized in the statement of comprehensive income for the years ended December 31, 2024 and 2023 are comprise;

	Unit : Thousand Baht			
	Consolidated Financial		Separate Financial	
	Statements		Statements	
	2024	2023	2024	2023
Depreciation - right-of-use assets	10,797	8,203	6,877	5,476
Interest expenses	2,600	1,449	1,230	667
Expense relating to short-term leases	16,421	12,387	15,294	12,148
Expense relating to leases of low value assets	2,018	1,828	1,982	1,828
	31,836	23,867	25,383	20,119

For the years ended December 31, 2024 and 2023, the total cash outflow for leases on consolidated financial statements amount to Baht 13.64 million and Baht 6.32 million, respectively and on separated financial statements amount to Baht 8.50 million and Baht 6.02 million, respectively.

### 31. PROVISIONS FOR EMPLOYEE BENEFITS

Movement for provisions for employee benefits for the year ended December 31, 2024 and 2023 are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
Provisions for employee benefits				
Balance as at January 1,	87,479	82,289	63,591	60,234
Paying retired employees during the year	(7,168)	(6,361)	(6,742)	(4,931)
Current service cost	13,090	11,551	9,490	8,288
Past service cost	-	-	1,455	-
Actuarial (gains) losses arising from post-employment benefits	(1,965)	-	956	-
Balance as at December 31,	91,436	87,479	68,750	63,591

Current and non-current provisions for employee benefits, are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
Current	8,850	6,341	2,793	5,918
Non-current	82,586	81,138	65,957	57,673
Total	91,436	87,479	68,750	63,591

Employee benefit expenses the company recognized in the profit (loss) for the years ended December 31, 2024 and 2023 amount Baht 12.47 million and Baht 11.55 million respectively. Separate financial statements for the years ended December 31, 2024 and 2023 amount Bath 8.87 million and Baht 8.29 million, respectively.

Expenses that are recognized in the comprehensive income

	Unit : Thousand Baht			
	for the year ended December 31,			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
Current service cost				
Cost of sales and service	1,988	1,826	-	-
Cost of construction service	4,695	4,016	4,259	3,565
Administrative expenses	4,061	3,445	3,554	3,052
Total current service cost	10,744	9,287	7,813	6,617
Interest cost	2,346	2,264	1,677	1,671
Total current service cost and interest cost	13,090	11,551	9,490	8,288

Actuarial gains and losses recognized in other comprehensive income arising from:

	Unit : Thousand Baht			
	For the years ended December 31,			
	Consolidated		Separate	
	Financial statements		Financial statements	
	2024	2023	2024	2023
Experience adjustment	(2,665)	-	44	-
Change in demographic hypothesis	(4,343)	-	(3,818)	-
Changes in financial assumptions	5,043	-	4,730	-
Total	(1,965)	-	956	-

Principal actuarial assumptions at the valuation date were as follows:

	Unit : Percentage			
	As at December 31, 2024		As at December 31, 2023	
	Parent company	Subsidiary	Parent company	Subsidiary
Discount rate	2.32	2.33	2.84	2.84
Future salary increase rate	3.4 – 5.2	3.3 – 3.7	3.0 - 5.5	3.0 – 4.0
Turnover rate	2 – 18.5	1 - 21	7 - 17	8 - 22

Amounts of defined benefit obligation for the current and previous periods are as follows:

	Unit : Thousand Baht	
	Defined benefit obligation	
	Consolidated	Separate
	Financial Statements	Financial Statements
Year 2024	91,436	68,750
Year 2023	87,479	63,591
Year 2022	82,289	60,234
Year 2021	101,842	76,479
Year 2020	89,697	67,191

### Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Unit : Thousand Baht				
For the years ended December 31, 2024				
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(6,899)	7,848	(5,341)	6,075
Future salary growth (1% movement)	7,572	(6,760)	5,811	(5,186)
Turnover rate (10% movement)	(1,826)	1,973	(1,402)	1,507

Unit : Thousand Baht				
For the years ended December 31, 2023				
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(6,724)	7,675	(4,902)	5,596
Future salary growth (1% movement)	8,368	(7,402)	6,008	(5,309)
Turnover rate (10% movement)	(1,443)	1,570	(992)	1,072

## **32. LEGAL RESERVE**

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

### 33. SHARE CAPITAL

Consolidated and Separate Financial Statements				
	For the years ended		For the years ended	
	December 31, 2024		December 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Note	(Thousand share)	(Thousand baht)	(Thousand share)	(Thousand baht)
<b>Registered share capital</b>				
Beginning of the year, ordinary shares	876,413	876,413	822,684	822,684
<u>Less</u> Ordinary shares decreased	-	-	(92,340)	(92,340)
<u>Add</u> Ordinary shares increased	-	-	146,069	146,069
<b>End of year, ordinary shares</b>	<b>876,413</b>	<b>876,413</b>	<b>876,413</b>	<b>876,413</b>
<b>Issued and paid – up share capital</b>				
Beginning of the year, ordinary shares	730,344	730,344	730,344	730,344
<u>Add</u> Ordinary shares issued from the				
exercise of warrants	34 20,635	20,635	-	-
<b>End of year, ordinary shares</b>	<b>750,979</b>	<b>750,979</b>	<b>730,344</b>	<b>730,344</b>

### PREMIUM ON COMMON SHARE

Unit : Thousand Baht			
	Note	Consolidated financial statements and	
		Separate financial statements	
		For the years ended	For the years ended
		December 31, 2024	December 31, 2023
Premium on common share beginning of year		1,916,040	1,916,040
Ordinary shares issued from the exercise of warrants	34	51,586	-
Premium on common share end of year		1,967,626	1,916,040

The 2023 Annual General Meeting of the Shareholders on April 27, 2023 has the following important resolutions:

1) Approved the issuance and offered Warrant No. 7 (DEMCO-W7) in the number not over than 146,068,850 units for allocation to existing shareholders of the Company in proportion to their respective shareholdings (excluding shareholders whose holding of such share would cause the Company to be under the obligations of any international laws), at no cost at the ratio of 5 ordinary shares to 1 unit of Warrant (any fraction shall be discarded). Exercise price shall be Baht 3.50 per share and the term shall be for a period of 1 year and 6 months and allocated to shareholders whose name appear as the shareholders of the Company on the record date of May 9, 2023.

2) Approved the decrease of the Company's registered capital by Baht 92,339,322 from the existing registered capital of Baht 822,683,573 to be Baht 730,344,251 by cancelling unsold ordinary shares with a par value of Baht 1.00 per share and approved the amendment of Memorandum of Association Clause 4 in compliance with the decrease of registered capital.

The Company has filed a request to decrease the registered share capital with the Ministry of Commerce on May 9, 2023 and the Ministry of Commerce registered on June 9, 2023.

3) Approved the increase of the Company's registered capital by Baht 146,068,850 from the existing registered capital after the decrease of registered capital of Baht 730,344,251 to the new registered capital of Baht 876,413,101 with a par value of Baht 1.00 per share for accommodation of the exercise right of the DEMCO-W7 Warrants and approved the amendment of Memorandum of Association Clause 4 in compliance with the increase of registered capital.

The Company has filed a request to decrease the registered share capital with the Ministry of Commerce on May 9, 2023 and the Ministry of Commerce registered on June 12, 2023.

### 34. WARRANTS

	<u>Amount (Unit)</u>
Warrants (DEMCO-W7)	
Balance as at January 1, 2024	137,140,064
Issuing warrants during the year	(20,634,404)
Expired warrants during the year	(116,505,660)
Balance as at December 31, 2024	<u>-</u>

Details of warrants DEMCO-W7 as follow :

Issuing date	9 June 2023
Number of listed warrants (unit)	137,140,064
Exercise ratio (warrant : ordinary share)	1 : 1
Exercise price (Baht per unit)	3.50
Term of warrants	1 year and 6 months from the issuing date (9 June 2023)
First exercise date	29 September 2023
Last exercise date	8 December 2024

On June 28, 2024 the holders of the Company's warrant held 147,000 units of DEMCO-W7 and exercised the warrant to purchase 147,000 ordinary shares at Baht 3.5 per share, the exercise ratio was 1 warrant for 1 ordinary share. The Company has finished the registration on the capital increase of Baht 147,000 with the Ministry of Commerce on July 3, 2024.



On December 6, 2024 the holders of the Company's warrant held 20,487,404 units of DEMCO-W7 and exercised the warrant to purchase 20,487,404 ordinary shares at Baht 3.5 per share, the exercise ratio was 1 warrant for 1 ordinary share. The Company has finished the registration on the capital increase of Baht 20,487,404 with the Ministry of Commerce on December 11, 2024.

Subsequently, on December 7, 2024, the warrants to purchase ordinary shares expired and ceased to be listed securities on the stock exchange.

### 35. TAX EXPENSE (INCOME)

Tax expenses (income) for the years ended December 31, consist of:

	Unit : Thousand Baht			
	For the years ended December 31,			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Tax expense (income) shown in profit or loss :				
<b>Current income tax :</b>				
Income tax expense	142	177	142	177
<b>Deferred tax :</b>				
Relating to origination and reversal of temporary differences	6,704	(51,619)	6,611	(3,900)
Total	6,846	(51,442)	6,753	(3,723)
Income tax relating to components of other comprehensive income :				
Actuarial gains(losses) on defined employee benefit plans	(394)	-	191	-
Income tax relating on measurement of investments and derivative	(14,108)	(13,872)	(14,481)	(13,670)
Total	(14,502)	(13,872)	(14,290)	(13,670)

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended December 31 as follow :

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2024	2023	2024	2023
Accounting profit (loss) before tax	(55,813)	(601,373)	8,609	(662,861)
Tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax- net	(11,163)	(120,275)	1,722	(132,522)
Effects of:				
Tax exempted revenue	1,989	162,331	11,859	162,206
Gain on promotional privileges	11,859	(1,049)	(720)	(496)
Deferred tax was from temporary different items and reversal of temporary different items	(2,095)	(50,163)	6,611	(3,900)
Not recognized tax loss as deferred tax assets	18,688	3,882	-	-
Using unrecognized loss carry forward as deferred tax assets	(12,731)	(29,011)	(12,731)	(29,011)
Others	299	(17,157)	12	-
Income tax expenses reported in the statements of comprehensive income	(6,846)	(51,442)	6,753	(3,723)

As at December 31, 2024, The Group were not recognized as deferred tax assets in the financial statements. Because the management of the Group considers that it is not certain possibility that the Group will have sufficient future taxable profits to utilize the deferred tax assets.

	Unit : Thousand Baht
<b>Parent company</b>	
Loss carry forward	76,449
Allowance for impairment - investments	613,593
<b>Subsidiaries</b>	
Loss carry forward	67,262
Allowance for impairment - Intangible assets	463,611

### 36. BASIC EARNINGS (LOSS) PER SHARE

Basic earning (loss) per share are as follows:

		For the years ended December 31,			
		Consolidated		Separate	
		Financial Statements		Financial Statements	
		2024	2023	2024	2023
<b>Basic earnings (loss) per share</b>					
Net profit (loss) attributable to owners					
the parent company	Thousand Baht	(62,658)	(549,929)	1,856	(659,138)
Weighted average number of ordinary					
shares in issue	Thousand share	731,875	730,344	731,875	730,344
Basic earnings (loss) per share	Baht/share	(0.09)	(0.75)	0.00	(0.90)

There is no dilutive effect of ordinary share in the financial statements for the year ended December 31, 2024 and 2023, since the warrants have expired and the exercise price of warrants was higher than the average market price for the period respectively.

### 37. ADDITIONAL INFORMATION OF EXPENSES BY NATURE

Additional information of expenses by nature were shown for the year ended December 31, are as follows:

		Unit : Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		2024	2023	2024	2023
Changes in inventories of finished goods and work in progress		(60,125)	200,604	(66,801)	207,006
Loss (reversal) allowance for decrease in value of inventories		(5,056)	6,658	(3,408)	2,046
Purchase		1,684,357	729,557	1,184,789	703,066
Management benefit expenses		50,121	51,238	50,121	51,238
Employee benefit expenses		284,860	282,025	213,831	212,130
Depreciation		41,489	40,045	26,496	24,172
Amortization expenses		7,522	19,963	4,015	4,050
Hire of work		724,925	731,118	651,786	793,021
Fee expenses		34,728	28,287	32,411	25,859
Gasoline expenses		23,809	18,524	22,119	17,755
Impairment loss on assets		-	571,133	-	607,396
Impairment loss determined in accordance with					
TFRS 9		162,526	6,498	162,526	183,076

### 38. COMMITMENTS AND CONTINGENT LIABILITIES

38.1 Commitments for letters of credit, domestic letter of credit, letters of guarantee and aval are as follows:

	Currency (Million)	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2024	2023	2024	2023
Letters of credit	EUR	-	-	-	-
	USD	-	-	-	-
Domestic letter of credit	THB	-	-	-	-
Letters of guarantee	EUR	0.22	0.21	0.22	0.21
	USD	0.18	0.29	0.18	0.29
	THB	2,043.53	1,690.68	1,989.92	1,634.68

38.2 Commitments under agreements

#### Subcontractor agreements

As at December 31, 2024 and 2023, the Company had commitments in respect of subcontractor agreements payable in the future of Baht 428.96 million and Baht 627.85 million, respectively.

#### Purchase order for raw materials and others

As at December 31, 2024 and 2023, the Company had outstanding commitments for purchase order for raw materials and others of Baht 561.91 million and Baht 907.42 million, respectively.

#### Power Purchase Agreements

The Company has entered into an agreement to purchase electricity from solar energy on rooftop with third parties. The agreement is for a period of 15 years under the terms of the agreement. The Company must comply with the obligations and various conditions as specified in the agreement.

The Company's subsidiaries, associates and joint ventures entered into the Power Purchase Agreement with the Provincial Electricity Authority ("PEA") and the Metropolitan Electricity Authority ("MEA") for 25 years. The sales quantity and its price have to be stipulated in the agreement. Such subsidiaries, associates and joint ventures must comply with the terms and conditions as specified in the agreements.

#### Tap water sales Agreement

The subsidiary (Demco De lao Co., Ltd.) entered into the agreement to produce tap water for sale to the Municipal of Luang Prabang (The Lao PDR) with 30 years agreement period. The service area agreement had extended the concession agreement from 30 years to 40 years. Under the conditions of the agreement, the subsidiary must comply with the terms and conditions as specified in the agreements.

### 38.3 The lawsuit

#### Civil case

38.3.1 In the year 2022, the Company was sued by another company in one civil case involving an amount of Baht 43.94 million. The plaintiff alleged that the Company failed to pay the contractual fees. Currently, the case has finished examining the plaintiff's and defendant's witnesses, Rayong Provincial Court scheduled to hear the verdict on December 11, 2024.

Subsequently, during the year 2023, the plaintiff filed another civil case against the company, amounting to Baht 2.01 million, in assets. The company has already settled the debt in accordance with the plaintiff's claim, and the plaintiff's lawyer has submitted a request for case withdrawal. The case has been concluded.

On December 11, 2024, the Court ruled that the defendant (DEMCO) must pay an amount of Baht 17.44 million, along with interest at the rate of 5 % p.a. on the principal amount of Baht 17.44 million, starting from October 17, 2023 until full payment is made to the plaintiff (the contractor). However, the Company has fully recorded the trade payable related to the completed work under the contract cited in the lawsuit. The Company is current in the process of filing an appeal and requesting a stay of execution.

38.3.2 In the year 2024 and 2025, the Company was involved in legal disputes related to allegations of breaches of contract and claims for damages from three companies, with a total lawsuit of Baht 158.5 million. The case is currently in the process of witness examination and pre-trial hearing, scheduled for March 2025. However, the management is confident that there will be no material adverse impact on the Company.

#### Labor case

38.3.3 In year 2022, the Company has been sued by former employees with three lawsuits total amount of dispute at Baht 2.64 million. Later in year 2023, one case resulted in a court order requiring the company to pay the plaintiff Baht 0.20 million, which has been settled. The other two cases were settled out of court, with the company agreeing to pay the plaintiffs a total of Baht 0.64 million. The plaintiffs withdrew their lawsuits, and the cases were closed.

#### Arbitration Dispute

38.3.4 The Company has a dispute with the customer as detailed in Note 8 to the financial statements.

## **39. CONSTRUCTION CONTRACTS IN PROGRESS**

As at December 31, 2024 and 2023, the Company has construction cost incurred and profits or losses to date for contracts in progress recognized of Baht 5,574 million and Baht 5,205 million, respectively.

## **40. DISCLOSURE OF FINANCIAL INSTRUMENTS INFORMATION**

### 40.1 Financial risk management policies

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

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

#### 40.2 Credit risk

Credit risk refers to the risk that counterparty will default on its agreement and conditions resulting in collection losses to the Group. The Group manage such risk by defining the credit limits for customer and analyzing their financial position on an ongoing basis. As a result, the Group does not expect to incur material financial loss.

In the case of recognized financial assets, the carrying amount of the assets recorded in the statements of financial position, net of a portion of allowance for the expected credit losses, represents the Group maximum exposure to credit risk.

#### 40.3 Capital management

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

#### 40.4 Interest rate risk

Interest rate risk means the risk that the value of financial instruments will change because the changes of interest rate. The company is exposed to interest rate risk relating primarily to its deposits, short term loans and loans from financial institutions. So the company is exposed to the risk of the fluctuation in the future market rate.

As at December 31, 2024 and 2023 Significant financial assets and liabilities classified by type of interest rates are summarised in the table below:

	Consolidated Financial Statements						(Unit : Million Baht)		(Unit : %)
	Floating interest rate		Fixed interest rate		Non-interest bearing		Total		Interest rate
	2024	2023	2024	2023	2024	2023	2024	2023	% per annum
<b><u>Financial assets</u></b>									
Cash and cash equivalents	112.47	61.11	-	0.03	34.22	41.04	146.69	102.18	0.125 – 0.90
Trade and other current receivables	-	-	12.46	14.72	1,022.63	973.85	1,035.09	988.57	5.04
Current contract assets	-	-	-	-	390.09	298.74	390.09	298.74	-
Short-term loans	-	-	3.33	8.16	-	2.76	3.33	10.92	4.50 – 8.55
Restricted deposits at financial institutions	-	3.00	14.87	16.43	-	2.47	14.87	21.90	0.15 – 0.90
Trade and other non current receivables	-	-	24.05	16.29	3.91	4.19	27.96	20.48	5.04
<b><u>Financial liabilities</u></b>									
Bank overdrafts and short-term borrowings from financial institutions	1,251.82	150.00	-	947.03	-	-	1,251.82	1,097.03	2.85 – 7.35
Trade and other current payable	-	-	-	-	918.49	828.60	918.49	828.60	-
Current contract liabilities	-	-	-	-	369.85	419.42	369.85	419.42	-
Long-term borrowings	83.38	92.48	-	-	-	-	83.38	92.48	6.17 – 6.33
Lease liabilities	-	-	52.32	61.33	-	-	52.32	61.33	2.47 – 5.60

	Separate Financial Statements						(Unit : Million Baht)		(Unit : %)
	Floating interest rate		Fixed interest rate		Non-interest bearing		Total		Interest rate
	2024	2023	2024	2023	2024	2023	2024	2023	% per annum
<b><u>Financial assets</u></b>									
Cash and cash equivalents	45.08	15.28	-	0.03	8.83	41.8	53.91	57.11	0.25 – 0.90
Trade and other current receivables	-	-	12.46	14.72	884.03	917.95	896.49	932.67	5.04
Current contract assets	-	-	-	-	390.00	298.4	390.00	298.40	-
Short-term loans	-	-	3.33	8.16	-	3.33	3.33	10.92	4.50 – 8.55
Restricted deposits at financial institutions	-	18.90	14.87	-	-	-	14.87	18.90	0.85 – 0.95
Trade and other non current receivables	-	-	24.05	16.29	-	-	24.05	16.29	5.04
Long-term loans	-	-	132.19	124.95	-	-	132.19	124.95	9
<b><u>Financial liabilities</u></b>									
Bank overdrafts and short-term borrowings from financial institutions	1,023.72	150.00	-	899.44	-	-	1,023.72	1,049.44	2.85 – 7.33
Trade and other current payable	-	-	-	-	917.78	808.71	917.78	808.71	-
Current contract liabilities	-	-	-	-	352.99	395.45	352.99	395.45	-
Short-term borrowings	-	-	29.00	29.00	-	-	29.00	29.00	1.00
Long-term borrowings	83.38	92.48	-	-	-	-	83.38	92.48	6.17 – 6.33
Lease liabilities	-	-	27.93	32.47	-	-	27.93	32.47	2.5 – 5.60



#### 40.5 Assets and liabilities in foreign currencies

The Group has assets and liabilities in foreign currencies which part of them are entered into various forward exchange contracts with banks to hedge certain portions of their assets and liabilities denominated in foreign currencies as at December 31, as follows:

	Currency (Million)	Consolidated Financial Statements		Separate Financial Statements	
		2024	2023	2024	2023
Financial liabilities					
Foreign trade payables	EUR	-	-	-	-
	USD	0.09	-	0.09	-
Trust receipts	EUR	-	-	-	-
	USD	-	-	-	-
Obligations					
Letters of credit	EUR	-	-	-	-
	USD	-	-	-	-
Letters of guarantee	EUR	0.22	0.21	0.22	0.21
	USD	0.18	0.53	0.18	0.29
Purchase order for raw materials and others	EUR	0.60	-	0.60	-
	USD	0.11	-	0.11	-

#### 40.6 Classification and measurement

The Group has classified financial assets and liabilities as at December 31, 2024 and 2023 as follows:

	(Unit : Thousand Baht)			
	Consolidated Financial Statements			
	FVPL	FVOCI	Amortized cost	Total
Financial assets as at December 31, 2024				
Cash and cash equivalents	-	-	146,693	146,693
Trade and other current receivables	-	-	1,035,092	1,035,092
Current contract assets	-	-	390,089	390,089
Short-term loans	-	-	3,327	3,327
Restricted deposits at financial institutions	-	-	14,867	14,867
Other non-current financial asset	86,623	2,281,102	-	2,367,725
Trade and other non-current receivables	-	-	27,960	27,960
	<u>86,623</u>	<u>2,281,102</u>	<u>1,618,028</u>	<u>3,985,753</u>
Financial liabilities as at December 31, 2024				
Bank overdrafts and short-term borrowings				
from financial institutions	-	-	1,251,820	1,251,820
Trade and other current payables	-	-	918,486	918,486
Current contract liabilities	-	-	369,851	369,851
Long-term borrowings	-	-	83,383	83,383
Lease liabilities	-	-	52,324	52,324
	<u>-</u>	<u>-</u>	<u>2,675,864</u>	<u>2,675,864</u>

(Unit : Thousand Baht)

Consolidated Financial Statements				
	FVPL	FVOCI	Amortized cost	Total
Financial assets as at December 31, 2023				
Cash and cash equivalents	-	-	102,185	102,185
Trade and other current receivables	-	-	988,569	988,569
Current contract assets	-	-	298,736	298,736
Short-term loans	-	-	10,918	10,918
Restricted deposits at financial institutions	-	-	21,896	21,896
Other non-current financial asset	84,648	2,209,103	-	2,293,751
Trade and other non-current receivables	-	-	20,483	20,483
	<u>84,648</u>	<u>2,209,103</u>	<u>1,442,787</u>	<u>3,736,538</u>
Financial liabilities as at December 31, 2023				
Bank overdrafts and short-term borrowings				
from financial institutions	-	-	1,097,028	1,097,028
Trade and other current payables	-	-	828,605	828,605
Current contract liabilities	-	-	419,418	419,418
Long-term borrowings	-	-	92,483	92,483
Lease liabilities	-	-	61,326	61,326
	<u>-</u>	<u>-</u>	<u>2,498,860</u>	<u>2,498,860</u>

(Unit : Thousand Baht)

Separate Financial Statements				
	FVPL	FVOCI	Amortized cost	Total
Financial assets as at December 31, 2024				
Cash and cash equivalents	-	-	53,913	53,913
Trade and other current receivables	-	-	896,488	896,488
Current contract assets	-	-	390,001	390,001
Short-term loans	-	-	3,327	3,327
Restricted deposits at financial institutions	-	-	14,867	14,867
Other non-current financial asset	86,623	2,281,102	-	2,367,725
Trade and other non-current receivables	-	-	24,051	24,051
Long-term loans	-	-	132,193	132,193
	<u>86,623</u>	<u>2,281,102</u>	<u>1,514,840</u>	<u>3,882,565</u>
Financial liabilities as at December 31, 2024				
Bank overdrafts and short-term borrowings				
from financial institutions	-	-	1,023,716	1,023,716
Trade and other current payables	-	-	917,780	917,780
Current contract liabilities	-	-	352,988	352,988
Short-term borrowings	-	-	29,000	29,000
Long-term borrowings	-	-	83,383	83,383
Lease liabilities	-	-	27,927	27,927
	<u>-</u>	<u>-</u>	<u>2,434,794</u>	<u>2,434,794</u>

(Unit : Thousand Baht)

	Separate Financial Statements			
	FVPL	FVOCI	Amortized cost	Total
Financial assets as at December 31, 2023				
Cash and cash equivalents	-	-	57,110	57,110
Trade and other current receivables	-	-	932,666	932,666
Current contract assets	-	-	298,401	298,401
Short-term loans	-	-	10,918	10,918
Restricted deposits at financial institutions	-	-	18,897	18,897
Other non-current financial asset	84,648	2,209,103	-	2,293,751
Trade and other non-current receivables	-	-	16,290	16,290
Long-term loans	-	-	124,951	124,951
	<u>84,648</u>	<u>2,209,103</u>	<u>1,459,233</u>	<u>3,752,984</u>
Financial liabilities as at December 31, 2023				
Bank overdrafts and short-term loans from				
financial institutions	-	-	1,039,441	1,039,441
Trade and other current payables	-	-	808,713	808,713
Current contract liabilities	-	-	395,447	395,447
Long-term loan	-	-	29,000	29,000
Lease liabilities	-	-	92,483	92,483
	<u>-</u>	<u>-</u>	<u>32,472</u>	<u>32,472</u>
	<u>-</u>	<u>-</u>	<u>2,397,556</u>	<u>2,397,556</u>

The group classified debt investments that do not qualify for measurement at either amortized cost or FVOCI at fair value through profit or loss (FVPL).

#### 40.7 Fair value hierarchy

The Group use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

##### Fair value hierarchy

- Level 1     Use of quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2     Use of inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (e.g. market prices) or indirectly (e.g. derived from market prices).
- Level 3     Use of unobservable inputs such as estimates of future cash flows.

As at December 31, 2024 and 2023, the Group had the following assets and liabilities that were measured at fair value using different levels of inputs as follows:

	Unit : Thousand Baht			
	2024			
	Consolidated and Separate financial statements			
	Fair vale hierarchy			
	Level 1	Level 2	Level 3	Total
Asset				
Other current financial assets	-	-	2,367,725	2,367,725
Investment Properties	-	7,840	-	7,840
	-	7,840	2,367,725	2,375,565

	Unit : Thousand Baht			
	2023			
	Consolidated and Separate financial statements			
	Fair vale hierarchy			
	Level 1	Level 2	Level 3	Total
Asset				
Other current financial assets	-	-	2,293,751	2,293,751
Investment Properties	-	7,840	-	7,840
	-	7,840	2,293,751	2,301,591

Investment property is assessed using market approach by comparing with the market price of similar assets and adjusted with specific factors of investment property such as city planning, location, obligations and current usage.

## 41. BENEFIT FROM INVESTMENT PROMOTION

The group has received the promotional privileges under the Investment Promotion Act B.E. 2520 as approved by the Board of Investment as follows:

Parent company

Investment promotion certificate no. 63-0533-1-00-1-0

The company receives investment promotion certificate no. 63-0533-1-00-1-0 dated on May 13, 2020 from the Board of Investment for infrastructure and basic services in type of 7.1 (generation of electricity from solar power). Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted activity commenced generating revenues (September 30, 2021).

Subsidiary (Demco Power Company Limited)

Investment promotion certificate no. 1611(1)/2557

The company receives investment promotion certificate no. 1611(1)/2557 dated on May 19, 2014 from the Board of Investment for infrastructure and basic services in type of 7.1 (generation of electricity from solar power). Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted activity commenced generating revenues (February 6, 2015).

The company's operation revenues are below shown divided according to promoted and non-promoted operations.

	Unit : Thousand Baht					
	Consolidated financial statements					
	Activities with Investment		Activities without Investment		Total	
	Promotional Benefits	Promotional Benefits	Promotional Benefits	Promotional Benefits		
	2024	2023	2024	2023	2024	2023
Sales and Services						
- Sales	-	-	242,979	149,286	242,979	149,286
- Sales of tap water	-	-	20,279	21,584	20,279	21,584
- STEEL STRUCTURE	-	-	603,383	227,486	603,383	227,486
- Equipment of electricity from solar power	11,859	13,745	-	-	11,859	13,745
- Revenues from construction service	-	-	2,124,190	1,819,292	2,124,190	1,819,292
- Other income	-	-	412,292	287,783	412,292	287,783
Total	11,859	13,745	3,403,123	2,505,431	3,414,982	2,519,176
<u>Less</u> eliminated	-	-	(202,755)	(218,451)	(202,755)	(218,451)
Net	11,859	13,745	3,200,368	2,286,980	3,212,227	2,300,725

## 42. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group had revenue that is expected to be realized in the future for the contract made with existing customers as below:

	(Unit : Million Baht)			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Revenue recognized that was in contract liabilities at the beginning of the year	382.58	460.70	382.58	459.68

	(Unit : Million Baht)			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Revenue to be recognized for the remaining performance obligations				
Within one year	2,146.48	1,944.52	2,146.48	1,944.52
More than 1 year	1,685.81	756.28	1,685.81	756.28
Total	3,832.29	2,700.80	3,832.29	2,700.80

## 43. SEGMENT INFORMATION

The chief operating decision-maker (CODM) has been identified as the Managing Director (MD) who regularly reviews the Group's internal reporting in order to assess performance and allocate resources. Segmental profit is used as an assessment and allocation criteria.

The Group has determined 6 reportable segments as follows:

Reportable segment	Detail of goods and services
Sales	Produce and sell steel structure fabrications for electrical works, telecommunication works and produce and sell water supply
Electricity from solar power	Electricity generation and sale from solar power
Electrical work services	Designs, constructs and manages electrical work on a complete service basis.
Engagement work services	Engaged in produce and install fabricated steel structure and high pressure vessel.
Other services	Civil work, communication and other services
Sales and providing service to biomass power plant	Providing biomass fuel and operating service and maintenance of biomass power plant.



Unit : Thousand Baht

## Consolidated Financial Statements

**For the years ended December 31, 2023**

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Segmental assets as at December 31, 2024 and 2023 as follows:

	Unit : Million Baht								
	Consolidated Financial Statements								
	As at December 31, 2024								
	Sales		Services			Sales and providing service to biomass power plant	Total	Intersegmental elimination	Grand total
	Goods	Electricity from solar power	Electrical work	Engagement work	Others				
Segment assets	887	23	1,159	153	231	-	2,453	-	2,453

Unit : Million Baht									
Consolidated Financial Statements									
As at December 31, 2023									
Sales		Services							
	Electricity from	Electrical	Engagement		Sales and providing		Intersegmental		
Goods	solar power	work	work	Others	service to biomass power plant	Total	elimination	Grand total	
Segment assets	610	34	909	152	424	-	2,129	-	2,129

Reconciliation of total reportable segment assets and total assets are as follows:

	<b>Unit : Million Baht</b>	
	<b>Consolidated Financial Statements</b>	
	<b>2024</b>	<b>2023</b>
Assets		
Total reportable segment assets	2,453	2,129
Unallocated assets	4,242	4,290
Total assets	6,695	6,419

#### Major customers information

The Group's revenues from major customers for the years ended December 31, are as follows:

	<b>Consolidated Financial Statements</b>					
	<b>2024</b>			<b>2023</b>		
	<b>Number of</b>	<b>Amount</b>	<b>Percentage of</b>	<b>Number of</b>	<b>Amount</b>	<b>Percentage of</b>
	<b>customers</b>	<b>(Million Baht)</b>	<b>net income (%)</b>	<b>customers</b>	<b>(Million Baht)</b>	<b>net income (%)</b>
Revenues from sales						
and services	4	534.95	17.95	5	188.70	8.75
Revenues from						
construction services	5	1,815.04	60.90	5	1,314.52	60.98

The Group recognizes revenue from tap water sales based on the actual volume of water sold. Currently, the Agreement of Water Treatment and Supply for Luang Prabang (The Lao PDR) was made to extend the term of the original concession contract from 30 years to 40 years.

#### 44. RECLASSIFICATION OF ACCOUNTS

Certain amounts in the financial statement presented herein for comparative purpose have been reclassified to conform to the current period's classification, with no effect on profit (loss) or shareholders' equity as previously reported. The significant reclassifications are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As previously		As previously	
	As reclassified	reported	As reclassified	reported
Statement of financial position as at				
December 31, 2023				
Current liabilities				
Current provisions for employee benefits	6,341	-	5,918	-
Non-Current liabilities				
Non-Current provisions for employee				
benefits	81,138	87,479	57,673	63,591

#### 45. EVENTS AFTER THE REPORTING PERIOD

According to the resolution of Board of directors' Meeting of Wind Energy Holdings Co., Ltd. No. 1/2025 held on February 10, 2025, resolved to approve the payment of dividends to shareholders at the rate of Baht 1.40 per share. The interim dividend payment was on February 13, 2025.

#### 46. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issuance by the Company's Board of Directors on February 27, 2025.

Back up attachment

## Back up attachment

Attachment 1 : Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary, and the representative for contact and coordination in case of a foreign company

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0930/2024/1747111695726.pdf>



Attachment 2 : Details of the directors of subsidiaries

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0930/2024/1747111695730.pdf>



Attachment 3 : Details of the Heads of the Internal Audit and Compliance Units

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0930/2024/1747111695734.pdf>



Attachment 4 : Assets for business undertaking and details of asset appraisal

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0930/2024/1747111695738.pdf>



Attachment 5 : Unabridged policy and guidelines on corporate governance and unabridged code of business conduct prepared by the Company

Link to attachment: <https://www.demco.co.th/th/corporate-governance/corporate-governance>



Attachment 6 : Report of the Audit Committee

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0930/2024/1747111695746.pdf>

