



CIVIL ENGINEERING

Civil Engineering Public Company Limited

BALANCE FOR BETTER FUTURE

Annual Report

2023

(Form 56-1 ONE REPORT)



"Life is fleeting, but the impact we make on the world endures. Let us strive to leave behind a better world for those who follow."

It is a pride for our company to have the opportunity to create quality public utilities such as bridges, dams, roads, high-speed train, and various construction projects that elevate people's lives, reducing inequality and enhancing competitiveness in various dimensions, including transportation and access to standardized services. We take pride in our ongoing efforts to consistently achieve excellence, with more than 50 years, from generation to generation, where we can bind the success of the company to the success of the people and the country.

Prosperity and technology make the world spin faster exponentially, but the consequence is the loss of balance in nature, leading to severe natural disasters worldwide, which serve as a warning sign that we must collaborate to change behaviors and do everything we can to improve this balance. During our lifetime, how can we **pass on this world to the next generation better** than when we received it?

Papado – or Mr. Prasert Tripuntupitak, an artist who paints through his imagination in a world that reflects his and his family's stories, including his kids, Singha and Mina, through various perspectives in the Fantasy style, fairy tales, respectfully reflected through the perspective of Civil as a Builder. Warmly reflecting life together with a smile while striving to **balance** to enable the company to create environmentally and socially friendly works with responsibility to help make this world sustainable and pass on a better world to the next generation.



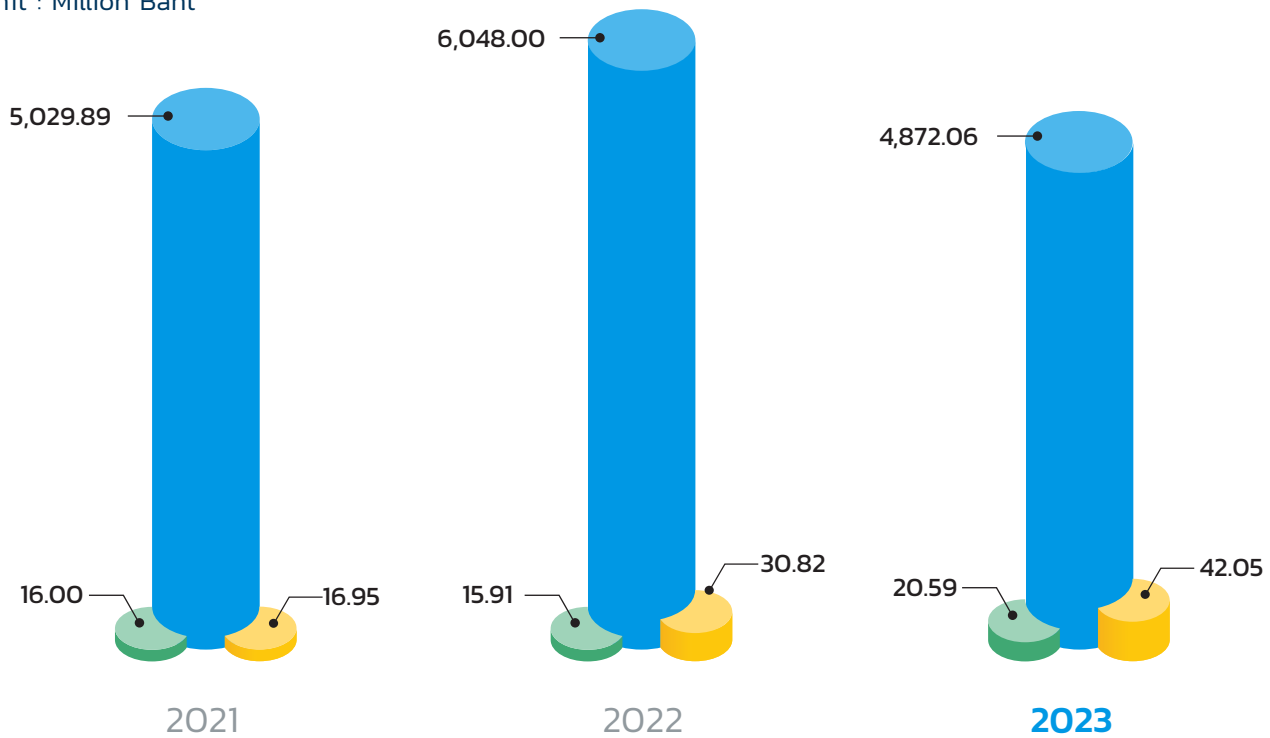


Financial Highlights

Revenue Structure Comparative 3 years

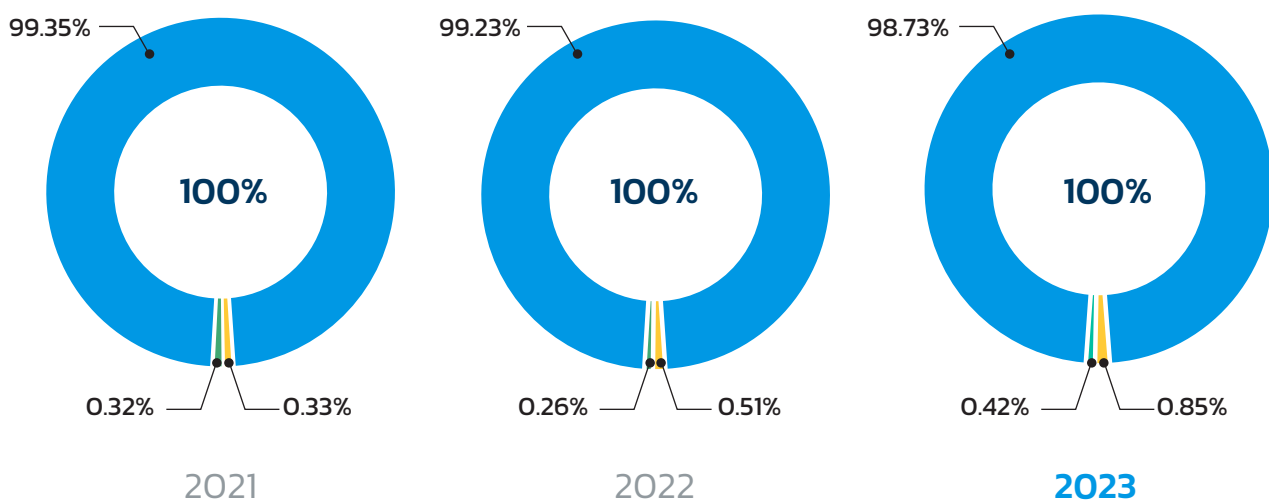
Total Revenue

Unit : Million Baht



Revenue proportion

Unit : %



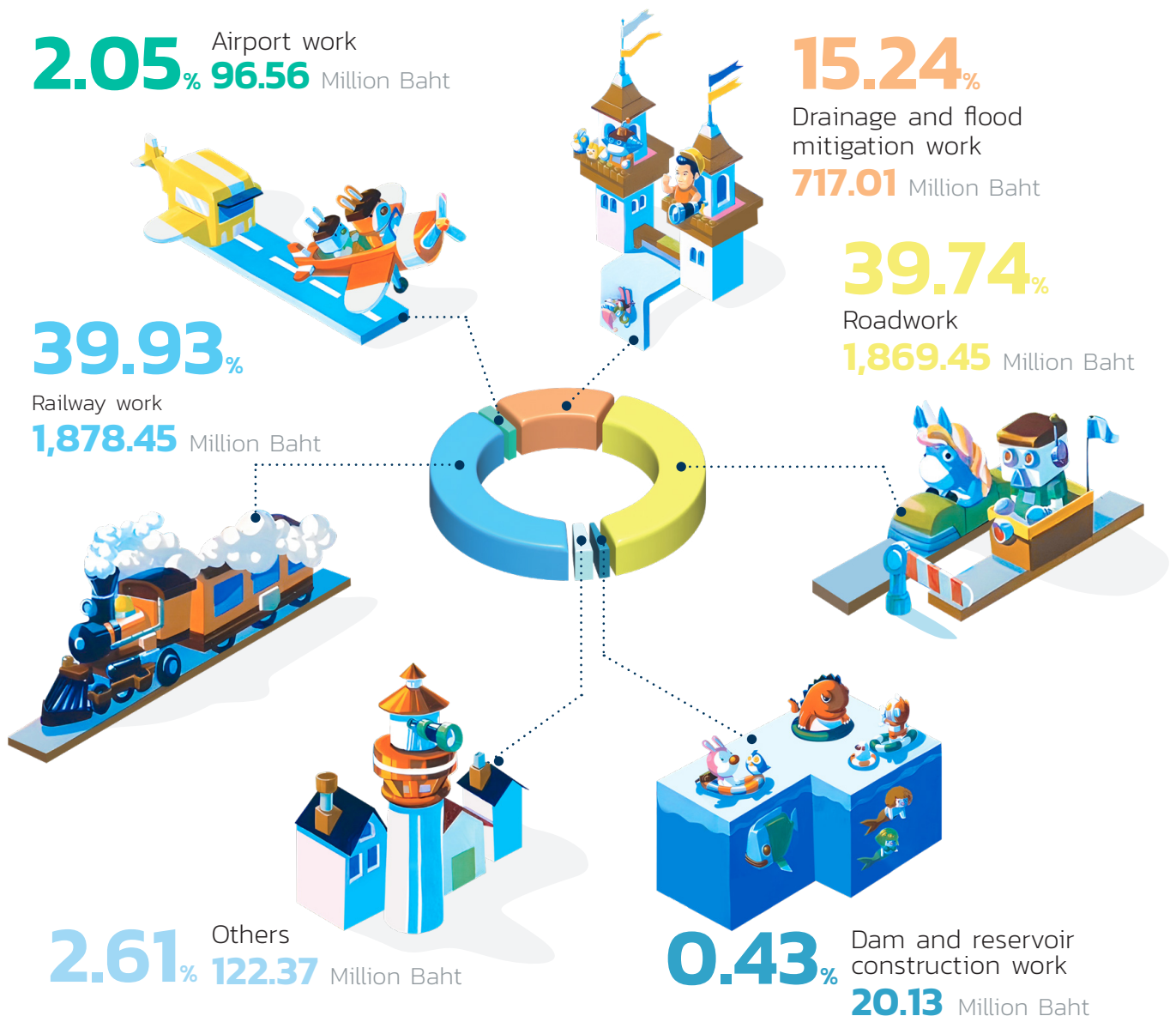
Revenue from construction services and sales of construction materials

Rental income

Other income

Construction Service Revenue

Construction Service Revenue categorized by work type	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Roadwork	1,874.83	39.03	2,271.43	38.52	1,869.45	39.74
Railway work	2,020.11	42.06	2,837.53	48.13	1,878.45	39.93
Airport work	632.04	13.16	310.39	5.27	96.56	2.05
Drainage and flood mitigation work	73.59	1.53	242.56	4.11	717.01	15.24
Dam and reservoir construction work	130.87	2.72	53.59	0.91	20.13	0.43
Others	71.83	1.50	180.61	3.06	122.37	2.61
Total Construction Service Revenue	4,803.27	100.00	5,896.11	100.00	4,703.97	100.00



Industry average Gross profit margin

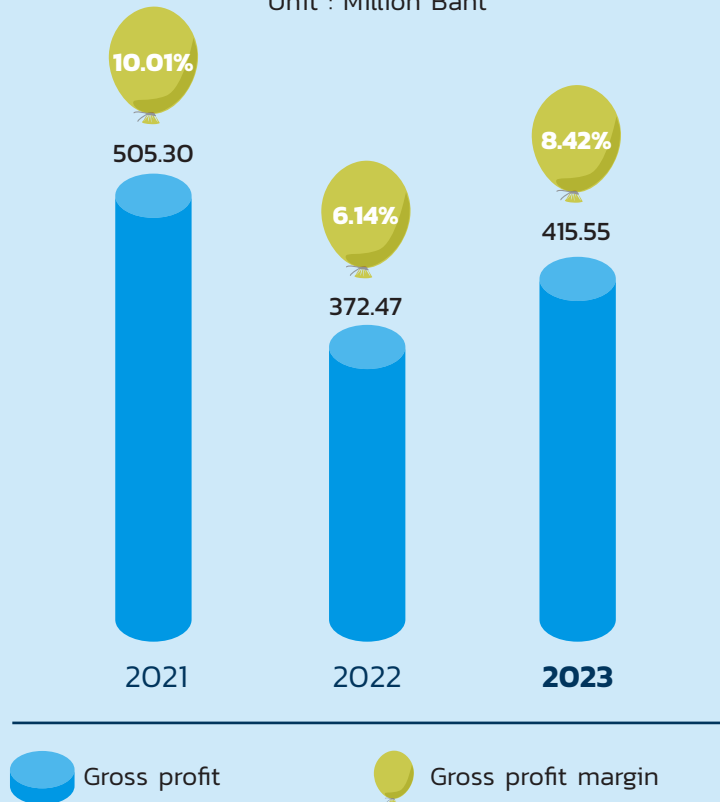
Year 2023*

8.59%



Gross profit and Gross profit margin

Unit : Million Baht



Industry average Net profit margin

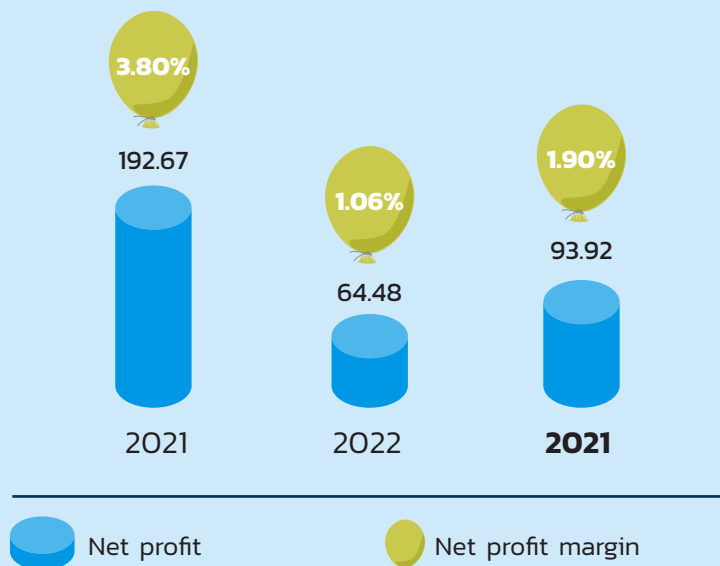
Year 2023*

0.71%



Net profit and Net profit margin

Unit : Million Baht

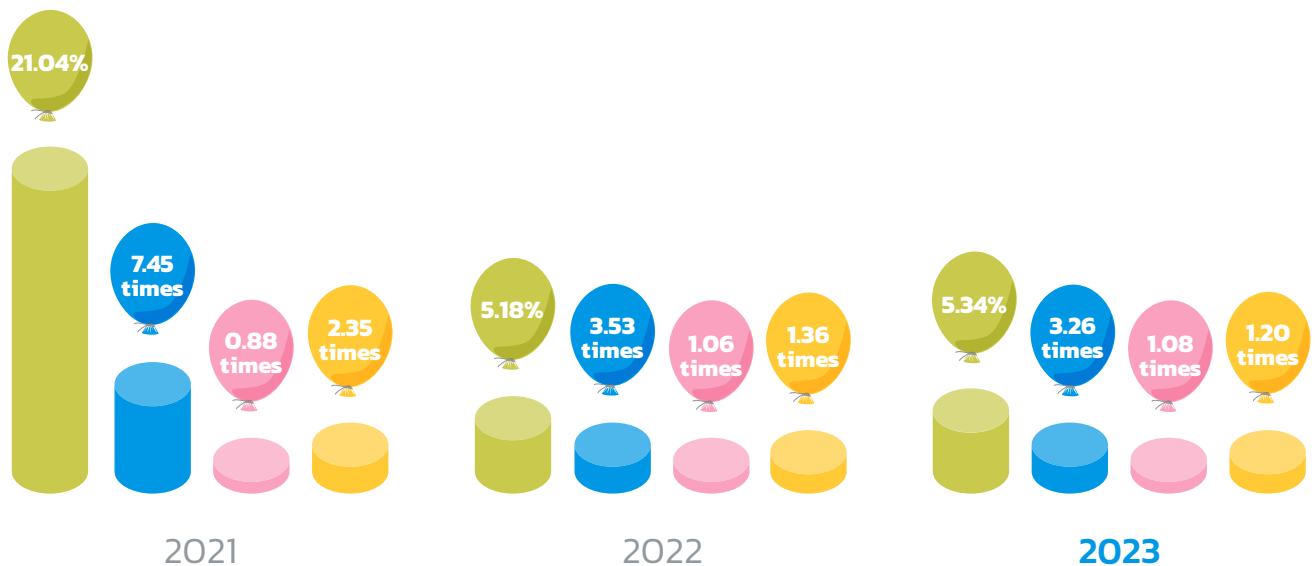


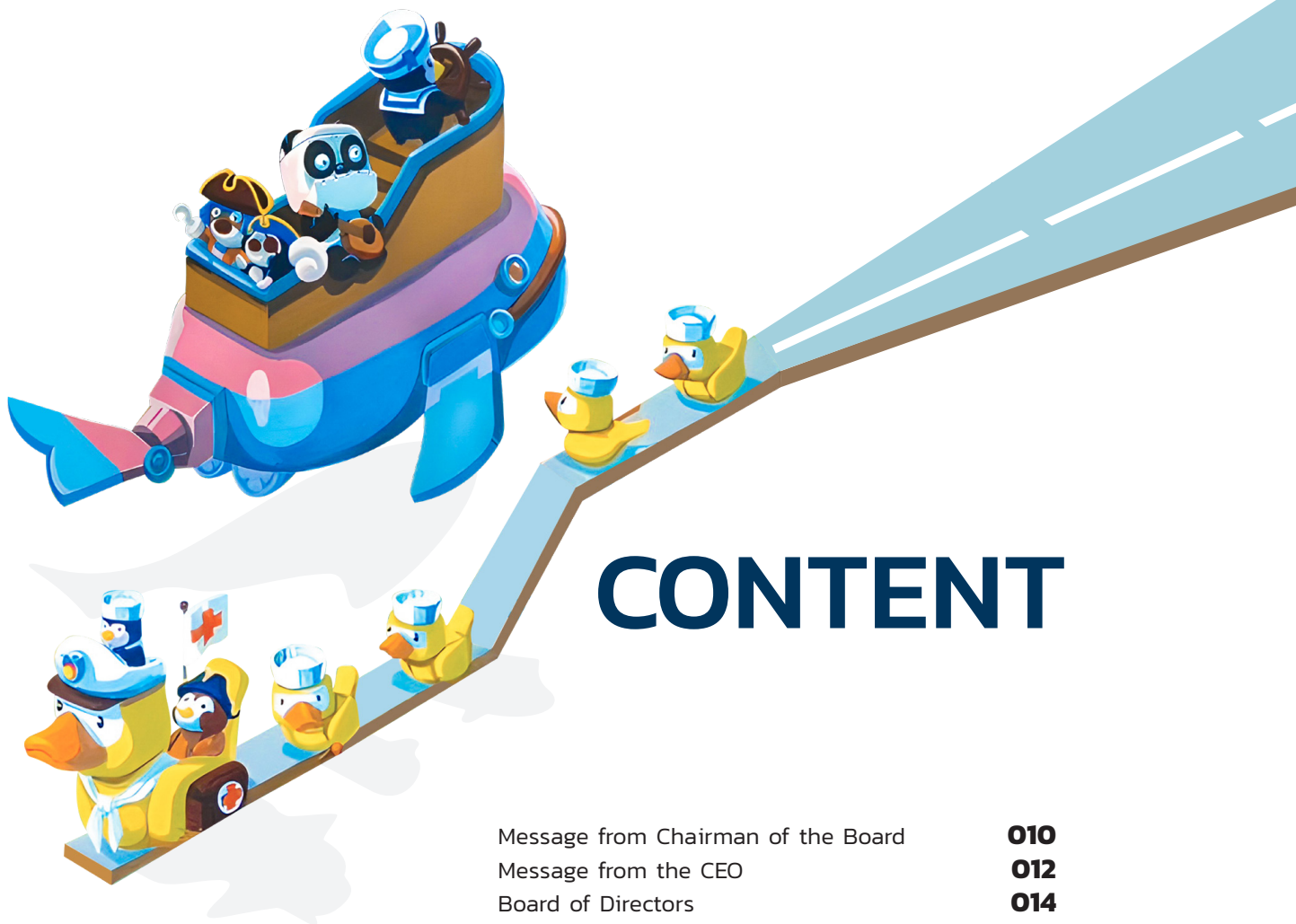
*Source : Financial statements of each construction company registered in the Stock Exchange of Thailand

Note: The calculation includes companies that STEC, UNIQ, NWR, CNT, SYNTEC, TTCL, PLE, PREB and RT

Financial Ratios

Financial Ratios	Unit	As of December 31		
		2021	2022	2023
Liquidity Ratio				
Current Ratio	times	0.88	1.06	1.08
Cash cycle	day	−46.37	−41.45	−53.21
Profitability Ratio				
Gross profit margin from construction services and sale of construction materials	%	9.94	6.06	7.39
Return on Equity	%	21.04	5.18	5.34
Efficiency Raio				
Return on Asset	%	4.14	1.24	1.57
Financial Policy Ratio				
Debt to Equity ratio (D/E)	times	7.45	3.53	3.26
Net Interest Bearing Debt to Equity (IBD/E)	times	2.35	1.36	1.20





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Message from **Chairman of the Board**

In 2023, the company was able to grow in line with its strategies and vision, creating business opportunities amidst a variety of challenges with the strength derived from managing the construction business effectively.

which is our core competency and efficiency, we align with the company's vision and remain committed to driving the business forward, acknowledging the connection with all stakeholders in every dimension.

This year, our primary goal was to achieve the "Excellent CG Scoring" or 5 stars from the Institute of Directors (IOD), supported by the Stock Exchange of Thailand (SET), as recognition for outstanding corporate governance practices. This achievement lays a foundation in a crucial dimension that demonstrates the company's dedication towards sustainable growth.

Furthermore, the board of directors, management, and all employees continue to prioritize social and environmental responsibilities, which will remain essential goals going forward. These efforts aim to drive the organization towards comprehensive sustainability, fostering efficient growth and confidence in conducting business in line with the company's intention.

A handwritten signature in black ink, appearing to read 'Chaiwat Utaiwan'.

Mr. Chaiwat Utaiwan

Chairman of the Board



This year, our primary goal
was to achieve the
"Excellent CG Scoring"
or 5 stars





”

The company's mission is to commit to doing everything possible for future excellence that **benefits everyone, utilizing technology to enhance and improve the efficiency of contemporary business operations.**

Message from the CEO



Throughout 2023, the construction sector faced multifaceted challenges, notably including cost fluctuations, delays in national budget allocations, and widespread economic unpredictability.

Nevertheless, the company has managed to maintain a high level of performance, with positive cash flow, continuously winning bids, and an all-time high backlog. Additionally, we have successfully delivered many significant projects to the country, which is a source of pride for Civil Engineering. Furthermore, our company received a 5-star rating, "Excellent," in corporate governance for the first time from the Thai Institute of Directors Association, which further confirms our commitment to good governance practices, transparency, stakeholder responsibility, and equitable treatment of shareholders, aiming to build a sustainable organization.

We are committed to enhancing our competitiveness in the Cost Leadership business model, where cost efficiency is crucial, through collaborations with trade partners, including suppliers and subcontractors, to develop and enable us to compete and grow further. Despite challenges stemming from market volatility in the construction industry, we have provided appropriate assistance to ensure timely and quality project deliveries. Moreover, we focus on implementing work systems and utilizing technology to increase efficiency, such as Robotic Process Automation to significantly reduce work hours and Business Intelligence for clearer and faster decision-making.

Looking ahead, besides anticipating government projects from substantial budget allocations in the years 2023/2024 and 2024/2025, we also foresee growth opportunities from private construction projects, public-private partnerships (PPP), construction material sales, and real estate development.

With our company's mission, we are determined to strive for excellence in the future, beneficial for everyone. Leveraging technology to improve and enhance business operations is crucial in today's era. We utilize data analytics systems to ensure confident decision-making and align with the correct direction, enabling us to efficiently respond to market and customer demands, reflecting benefits in economic, social, and environmental aspects, aiming to create a better world for future generations.

Lastly, as the CEO, I extend my gratitude to shareholders, the board of directors, management, employees, business partners, and stakeholders for their contributions to driving Civil Engineering as a comprehensive construction service and product provider, promoting prosperity in people's lives. We remain committed to our motto "**Civilizing a better way of life for all,**" which has been our steadfast belief throughout.

A handwritten signature in black ink, appearing to read 'Piyadit Atsavasirisuk'.

Mr. Piyadit Atsavasirisuk

Director / Chairman of the Executive Committee
Chief Executive Officer / Executive Director

Board of Directors



1 Mr. Chaiwat Utaiwan

Chairman of the Board of Directors
Independent Director

2 Mr. Veerasak Kositpaisal

Director / Independent Director
Chairman of the Audit and Risk
Management Committee

3 Mr. Chainarong Chochai

Director / Independent Director
Member of the Audit and Risk
Management

4 Mrs. Yupin Garnjanawigai

Director / Independent Director
Member of the Audit and Risk
Management Committee /
Member of the Nomination and
Remuneration Committee

5 Assoc. Prof. Dr. Tanit Tongthong

Director / Non-Executive Director
Chairman of the Nomination and
Remuneration Committee

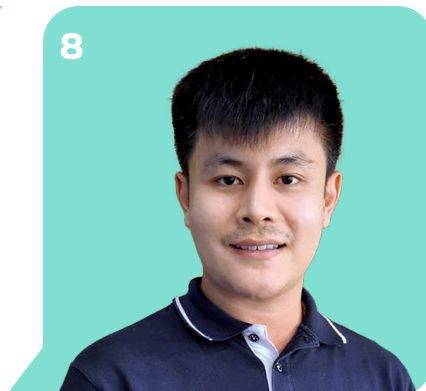
6 Mr. Piyadit Atsavasirisuk

Director / Executive Director
Chairman of the Executive
Committee

7 Mr. Phanthanont Lertwattanasasikul

Director / Member of the Executive
Committee

Executive Committee



1 Mr. Piyadit Atsavasirisuk
Chief Executive Officer

2 Mr. Phanthanont Lertwattanasasikul
Chief Administrative Officer

3 Mr. Anuwat Lertchaiworagul
Chief Operating Officer

4 Mr. Kitisak Tootalingchan
Chief Machinery and Plant Officer

5 Ms. Sawittree Phuengrasamee
Chief Finance and Accounting Officer

6 Ms. Supawadee Kobtanyakan
Human Resource Director

7 Mr. Comsin Srisonkompon
Engineering Director

8 Mr. Sarawut Baisee
Accounting and Finance Director



01 Business and Operating Results



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1. Structure and Operations of the Company group

1.1 Policy and Business Overview

Civil Engineering Public Company Limited aims to be a leading construction contractor by focusing on business expansion through the development of new technologies and innovations and satisfying stakeholders for sustainable growth. This is guided by the following principles:

- **Good Corporate Governance:** The company has a knowledgeable, experienced, and honest board of directors that oversees the company's operations transparently.
- **Environmental Conservation:** The company is committed to environmental preservation, conducting production and construction with consideration of environmental impacts, and is dedicated to reducing pollution.

- **Social Responsibility:** The company promotes and supports activities for social development, improving the quality of life in communities, and fostering social growth.
- **Prevention and Suppression of Corruption:** The company strictly adheres to anti-corruption policies and has effective mechanisms for inspecting, preventing, and suppressing corruption.

1.1.1 Vision, Objectives, Goals, and Strategies

To align with the company's business direction and objectives, the board of directors' meeting No. 1/2023 on February 24, 2023, approved the following vision and mission:



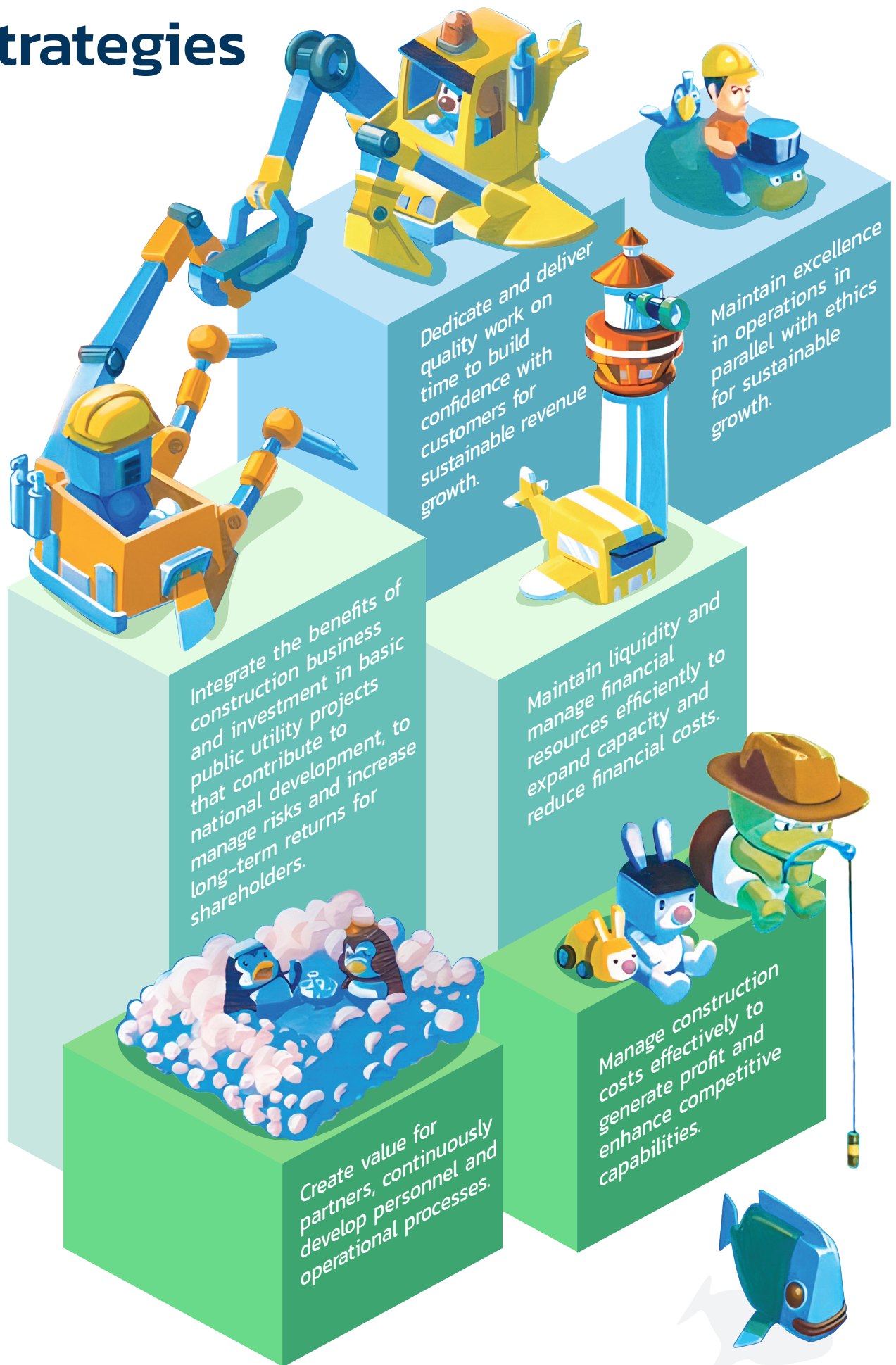
Vision

We aim to be a comprehensive provider of construction services and products to enhance people's lives.

Mission

1. We are committed to creating great thing.
2. We challenge ourselves to do better by continuously improving and leveraging technology to surpass previous achievements.
3. We aim to pass on a better world to future generations.

Strategies



Value



COMMITMENT

Dedication to our goals and determination to succeed. We encourage our staff to embrace these values, focusing on intention, awareness of organizational direction, steadfastness in work, and driving mission goals towards successful outcomes.

INTEGRITY

Honesty and adherence to correctness, good morals, and ethics, including good corporate governance. This fosters responsible, trustworthy, transparent, and accountable behavior among staff.



VALUES PEOPLE

Recognizing and valuing every individual we work with, fostering trust and mutual respect, leading to effective and harmonious collaboration.

INNOVATION

Utilizing knowledge, creativity, skills, and technology for development and progress in processes, products, or services, enhancing competitiveness in terms of time, cost, quality, safety, resource efficiency, and sustainability.

LEARNING

Continuous learning and development from education and experience to improve individual and organizational capabilities, sharing knowledge for others' benefit, and cultivating a culture of endless learning.

1.1.2 Significant changes and developments



**2012
–
2015**

CCSP started a Real Estate Rental Business at the CEC building in 2012.

The company group restructured its shareholding between 2012 and 2015 to clarify shareholding structures and eliminate cross-holdings within the group, aimed at clarity for businesses that will be listed on the Stock Exchange of Thailand (removing groups involved in mining, steel businesses, etc.).

2016

The company began contracting for the construction of the Phase 2/2 and Phase 3 Rubber City industrial estate project in the southern industrial zone, Songkhla Province, with a contract value of approximately 1,475.25 million baht.

The company won the bid for the Bang Pa-in – Korat intercity highway segments 29 and 30, and CCSP won the bid for the Bang Pa-in – Korat intercity highway segment 31, totaling 4,077.38 million baht, marking the highest value of road construction work since the establishment of the company group.

2017

CCSP completed the construction of a precast concrete component (Yard Segment) factory in Saraburi Province in July 2017.

CCSP won the bid for the Bang Pa-in – Korat intercity highway segment 16.

The extraordinary meeting of the company's shareholders approved a dividend payment of 100 million baht to shareholders.

2018

Shareholders have restructured the company's shareholder composition to allocate assets within the Atsavasirisuk family and to prepare for the company's listing on the stock market. The Atsavasirisuk family established Atsavasirisuk Holdings Co., Ltd., a family holding company, to hold some of the company's shares.

CCSP began taking on railway construction projects by subcontracting the dual-track railway construction from Prachuap Khiri Khan to Chumphon, Contract No. 2, Bang Saphan Noi-Chumphon section, through a subcontract from the STTP joint venture, with a contract value of approximately 1,901.63 million baht.

2019

CCSP won the bid for the high-speed railway project from Sikhio to Kut Chik, with a contract value of approximately 2,911.20 million baht.

The company's annual general meeting of shareholders and/or the board of directors approved the payment of annual dividends and interim dividends totaling 250 million baht to shareholders.

2020

The company won the bid for the high-speed railway project from Saraburi to Kaeng Khoi, with the bid winner announced in April 2020, and the contract was signed with the State Railway of Thailand on November 26, 2020, with a contract value of approximately 8,000 million baht. This project is the largest construction project since the establishment of the company group.

On March 20, 2020, CCSP entered into a **joint venture agreement with Vichitphand Construction Co., Ltd.** and Mr. Kriengkrai Sri-ngam (an unrelated individual to the company group), wherein all parties agreed that CCSP would transfer all rights, duties, and debts under the VCEC joint venture agreement to Mr. Kriengkrai, effective from April 1, 2020.

At the extraordinary general meeting of CCSP shareholders on May 4, 2020, approval was given to change the name of the subsidiary company Civil Engineering Co., Ltd. to **'Civil Construction Services and Products Co., Ltd.'**, with registration completed with the Ministry of Commerce on May 25, 2020.

The company's board of directors approved the payment of interim dividends totaling 40 million baht to shareholders.

At the extraordinary general meeting of the company's shareholders on June 25, 2020, approval was given to **change the company's name to 'Civil Engineering Co., Ltd.'**, with registration completed with the Ministry of Commerce on June 26, 2020.

At the extraordinary general meeting of the company's shareholders on June 28, 2020, approval was given to **transform the company from a limited company to a public company limited** ('Civil Engineering Public company limited'), with registration completed with the Ministry of Commerce on June 29, 2020.

On September 30, 2020, CCSP entered into an agreement with Thaiwat Civil Engineering Co., Ltd. and Samprasit Partnership Limited to **withdraw from the TSC joint venture**, effective from September 30, 2020.

2021

On February 4, 2021, the company, P.C.E.T. Co., Ltd. (now renamed 'Thada Creator Co., Ltd.'), and Napa Construction Co., Ltd. entered into a **joint venture agreement, CPN**, to bid for the canal drainage and accompanying building project in Nakhon Si Thammarat Province.

On February 25, 2021, the company's board of directors resolved to **pay dividends from the 2020 operational results** and accumulated profits to shareholders at a rate of 0.60 baht per share, totaling 300 million baht, with the dividend payment made in April 2021.

On June 15, 2021, the **Department of Primary Industries and Mines granted a renewal of one concession** for another 16 years, from June 10, 2021, to June 9, 2037, to mine limestone in a specified area in Saraburi Province. CCSP has started its limestone mining operations since May 2022.

On July 27, 2021, CCSP and Unique Engineering and Construction Public Co., Ltd. entered into a **joint venture agreement, UN-CC**, to bid for the Rama 3 expressway project, Contract No. 1, and the UN-CC joint venture won the bid.

On September 28, 2021, CCSP and THE **entered into a joint venture agreement, CCSP-THE CEC**, to bid for the construction project of Expressway No. 82, Ekachai-Ban Phaeo section 8, and subsequently signed a contract to undertake the project, which is currently under construction.

On November 15, 2021, the company's board of directors **approved the payment of interim dividends to shareholders at a rate of 0.36 baht per share**, totaling 180 million baht, with the dividend payment made in December 2021.

2022

On January 27, 2022, **the company was registered and began trading on the Stock Exchange** in the Real Estate and Construction sector, Construction Services category, under the ticker symbol "CIVIL"

On February 25, 2022, the company's board of directors resolved to **establish Civil S.T.T. Co., Ltd.** for conducting construction services business. This company was registered with a capital of 1 million baht (10,000 ordinary shares at a par value of 100 baht per share), with the company registration completed with the Ministry of Commerce on March 25, 2022.

On April 18, 2022, THE C.E.C. Construction Co., Ltd. (a subsidiary) and Civil S.T.T. Co., Ltd. (a subsidiary) **jointly established a joint venture, THE-CSTT**, with a 51% and 49% stake respectively in the joint venture.

On April 25, 2022, the annual general meeting of shareholders for the year 2022 **approved the payment of dividends** from the 2021 operational results, ending on December 31, 2021, at a **rate of 0.02 baht per share**, totaling 14 million baht, with the dividend payment made in May 2022.

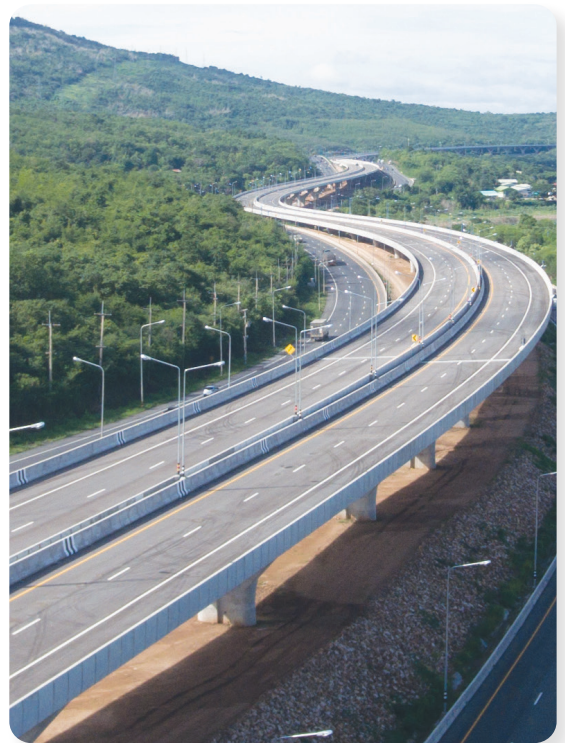
On November 24, 2022, Civil Construction Services and Products Co., Ltd. entered into a **joint venture agreement, UCN, to bid for the construction of a flood drainage canal and accompanying buildings, Contract No. 6**, for the Bang Ban-Bang Sai flood drainage canal project in Ayutthaya Province. The joint venture subsequently signed a construction contract with the project owner.

2023

On April 25, 2023, the annual general meeting of shareholders for the year 2023 approved the **payment of dividends** from the 2022 operational results, ending on December 31, 2022, **at a rate of 0.02 baht per share**, totaling 14 million baht, with the dividend payment made in May 2023.

As per Civil Construction Services and Products Co., Ltd., a subsidiary, which entered **into a joint venture agreement UCN to bid for the contract to construct flood drainage canals and accompanying buildings, Contract No. 6** for the Bang Ban-Bang Sai flood drainage project in Ayutthaya Province, the subsidiary had a 32% stake in the joint venture. The subsidiary considered this joint venture a Joint Operation. In April 2023, the joint venture signed a construction contract with the contractor. However, on September 18, 2023, the subsidiary reached an agreement to acquire the entire share from the other two partners in the joint venture, resulting in the subsidiary holding a 100% stake.

The company was announced as a registered company that achieved an 'Excellent' level in the Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors (IOD).



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The company has elevated its CGR from **"Good"** to **"Excellent"**, as assessed by the Thai Institute of Directors (IOD). The new CGR criteria for the year 2023 have introduced more rigorous assessment standards. These standards demonstrate the company's exceptional corporate governance, transparency, and foundational commitment to creating sustainable business value and confidence among all stakeholders.



New High Backlog

2023 marks the year with the highest backlog in the company's history, amounting to 25,425¹ million baht, amidst an economic situation and public sector investment climate not conducive to the Thai construction industry.

Note: ¹ The backlog can be categorized into work that has already been signed into contract, valued at 14,432 million baht, and work that has been announced as awarded but is in the process of signing the contract, valued at 10,993 million baht. This value includes the value-added tax.

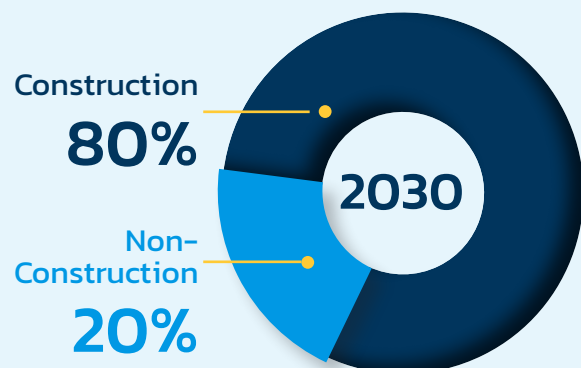
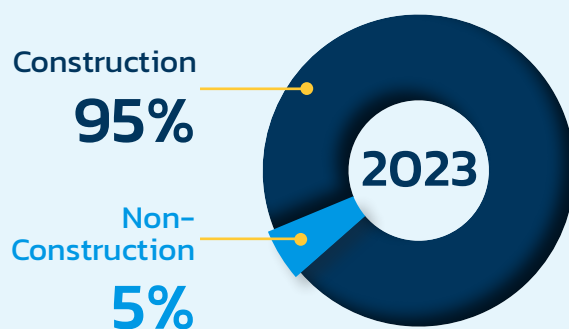


Delivery of 28 Successful Projects

One of the Company group's proudest achievements is providing high-quality public utilities for the convenience of the public. In 2023, the group has completed and delivered a total of 28 projects worth 4,825² million baht. Among these is the Bangkok-Nong Khai high-speed rail project's phase 1, from Sikhio – Kut Chik, valued at 2,842² million baht, marking the group's first foray into high-speed rail projects and the country's first completed high-speed rail project. Additionally, the group has delivered both medium and small-sized highway projects, including the highway project number 3901, section 1 and 2, with a project value of 1,290² million baht.



Note: ² Project value as of the project closing date, including value-added tax.



The company continues to seek opportunities for growth in both revenue and returns, across both the construction business group and other business groups outside of construction. By the year 2030, when the company will celebrate its 64th anniversary, it aims to shift the revenue mix from the current 95:5 ratio between construction and other businesses to an 80:20 ratio.

1.1.3 The Utilization of Capital Increase from Initial Public Offering According to the Purpose

Purpose of the Use of Fund

Name of the Issuer (Thai)	: บริษัท ซีวิลเอนจิเนียริง จำกัด (มหาชน) ("บริษัทฯ" หรือ "CIVIL")
Name of the Issuer (English)	: Civil Engineering Public Company Limited
Type of Business	: Construction and Sales of Construction Materials
Registered Capital as of January 27, 2022	: 700,000,000 Baht
Number of Shares Offered to Investors	: 200,000,000 Shares
Par Value per Share	: 1.00 Baht
Offering Price per Share	: 4.60 Baht

Civil Engineering Public Company Limited ("The Company") conducted an Initial Public Offering (IPO) on January 27, 2022, offering a total of 200,000,000 shares at a price of 4.60 Baht per share. The company raised a total of 883.4 million Baht from the capital increase (after deducting the expenses related to this offering).

The Company has considered the investment in machineries equipment and technology in construction project for maximum benefits. Therefore, the Board of Directors' Meeting No.6/2023 on 15th December 2023 resolved to approve the change of use of proceed period of the remaining net proceeds obtained from the offering and allocation of such newly issued ordinary shares as previously disclosed in the registration statement and draft prospectus by extending the use of proceeds period until 31st December 2024 as follows.

Purpose of the Use of Fund	Estimated Utilization (Million Baht)	Estimated Proceeds Period	Description
1. Investment in machinery equipment and technology in construction project.	433.3	Year 2022-2024	To invest in machinery and equipment to enhance efficiency in terms of both time and cost in construction operations. This includes additional investments to replace existing machinery and equipment, such as heavy machinery, transport machinery or cranes, and new construction technologies.
2. Repayment of loans from Financial Institutions.	250.1	Year 2022-2023	To repay the loan according to the loan agreement.
3. Working Capital of the Company's Operation.	200.0	Year 2022-2023	To serve as working capital for business operations, particularly construction business, which are the core business of the group company.

The Company has carefully considered the necessity of extending the period for using the additional capital to ensure that the use of funds aligns with the purpose and is consistent with the Company's current business plan. In this regard, the Company has complied with notification no. SorChor. 63/2018, regarding changes in the purpose of the use of funds as disclosed in the securities offering statement and draft prospectus.

1.1.4 Company Information

Name of the Issuing Company (Thai)	: บริษัท ซีวิลเอนจิเนียริง จำกัด (มหาชน)
Name of the Issuing Company (English)	: Civil Engineering Public Company Limited
Nature of Business	: Construction Services and Sale of Construction Materials
Head Office Address	: 68/12 CEC Building, 7 th Floor, Kampaengpet 6 Road, Ladyao, Jatujak, Bangkok, 10900
Company Tax Identification No.	: 0107563000169
Telephone	: 02-589-8888-9
Facsimile	: 02-589-8886-7
Website / Company's homepage	: http://www.civilengineering.co.th/
Share capital registered as of December 31, 2023	: 700,000,000 Baht
Paid-up share capital as of December 31, 2023	: 700,000,000 Baht
Par value per share	: 1.00 Baht

1.2 Nature of Business

1.2.1 Revenue Structure

The company group primarily generates revenue from the construction service business, operated by CCSP and THE, and has expanded into 2 additional businesses: (1) the sale of construction materials, operated by CCSP and THE, and (2) the rental business, mainly focusing on office building rental and renting out unused machinery and equipment, operated by CCSP and THE.

The company's revenue structure, categorized by business type according to the consolidated financial statements for the fiscal years ending December 31, 2021, 2022, and 2023, is summarized as follows.

Revenue	As of December 31,					
	2021		2022		2023	
	Million baht	%	Million baht	%	Million baht	%
1.1 Roadwork	1,874.83	37.03	2,271.43	37.27	1,869.45	37.88
1.2 Railway work	2,020.11	39.90	2,837.53	46.56	1,878.45	38.07
1.3 Airport work	632.04	12.48	310.39	5.09	96.56	1.96
1.4 Drainage and flood mitigation work	73.59	1.45	242.56	3.98	717.01	14.53
1.5 Dam and reservoir construction work	130.87	2.58	53.59	0.88	20.13	0.41
1.6 Others	71.83	1.42	180.61	2.96	122.37	2.48
Construction Service Revenue	4,803.27	94.87	5,896.11	96.74	4,703.97	95.32
Sale of Construction Materials	226.62	4.48	151.89	2.49	168.09	3.41
Sale of Construction Materials	226.62	4.48	151.89	2.49	168.09	3.41
Rental income and real estate services	15.88	0.31	15.71	0.26	16.66	0.34
Other rental income ¹	0.12	0.00	0.20	0.00	3.93	0.08
Rental Revenue	16.00	0.32	15.91	0.26	20.59	0.42
Other income ²	16.95	0.33	30.82	0.51	42.05	0.85
Total Revenue	5,062.84	100.00	6,094.73	100.00	4,934.70	100.00

Note : ¹ Other rental income consists of rental income from machinery, tools, and equipment leased to subcontractors.

² Other income includes profits from the sale of assets, income from the sale of scrap materials, and others.

1.2.2 Information about Products

1. Characteristics of Products or Services, and Business Innovation Development

1.1 Construction Services

The construction services business of the company group has a long history of expertise and experience in engineering and construction work. Projects currently underway are directly contracted from project owners, mostly governmental agencies, except for the double-track railway project between Bang Saphan Noi and Chumphon, which is subcontracted from the STTP joint venture. This is the first railway construction project that the company group has undertaken with a private construction contractor, and the construction of a pedestrian overpass (Skywalk) for the Green Line Phase I, subcontracted from PTT Public Company Limited. However, the company group plans to expand its customer base to include private sector project owners with strong financial standings and to diversify the types of construction projects further. Moreover, the company group will enter construction projects both through direct bidding and subcontracting from other large private construction contractors in projects that the company group deems appropriate in terms of project size, location, and expected return on investment.

Furthermore, the company group emphasizes operational efficiency through personnel development, the use of technology in management, managing relationships with suppliers, and having factories for producing certain construction materials. This ensures that the construction projects of the company group are of specified quality and delivered on time, while managing the construction project costs within the set budget and maximizing efficiency.

Primarily, the construction services projects are horizontal projects such as roads, railways, airports, dams, and reservoirs, detailed as follows:

(a) Road Work

The company group began its construction services operations since the establishment of CCSP in 1966, starting from small-scale road projects to a wide variety of large-scale national highways and elevated road constructions. Additionally, the group has accumulated experience and expertise in road construction, enabling it to become a contractor for large-scale road construction projects with contract values exceeding one billion baht. This includes being registered as a special-grade contractor for road construction by various government agencies. The average construction period for road projects ranges from 2 to 6 years, depending on the distance and complexity of the project.

Moreover, all the employers for the company group's road work construction projects are government agencies, with projects from the Department of Highways accounting for an average of more than 40.0% of the group's income from road work construction services in 2023.

To efficiently manage construction costs and enhance geographic advantages in construction, the company group owns asphalt concrete plants, ready-mixed concrete plants, concrete drainage pipes, corrugated steel barriers, and precast concrete segments (Segment), distributed across 4 provinces: Saraburi, Krabi, Trang, and Phra Nakhon Si Ayutthaya. These facilities serve construction projects in areas near the respective manufacturing plants.

(b) Railway Work

The company group began undertaking railway work in 2018, starting with the construction of a double-track railway from Bang Saphan Noi to Chumphon as part of a subcontract from the STTP joint venture. This construction of approximately 36 kilometers of double track railway marked the beginning of the company group's direct participation in bidding for railway projects subsequently. The primary scope of railway construction work includes construction and improvement of railway tracks, construction of railway stations and stops, construction of cargo storage and transfer areas, various road constructions, and civil engineering works. These railway construction works are for the State Railway of Thailand, with the company directly undertaking some projects and subcontracting from the STTP joint venture for others.

Since starting to undertake railway projects in 2018, the company group has taken on a total of 3 railway projects, two of which are high-speed railway projects, including the construction of the Bangkok-Nong Khai high-speed railway, contract 2-1 (Sikhio-Kutchik) in Nakhon Ratchasima, and the Bangkok-Nong Khai high-speed railway, contract 4-7 (Saraburi-Kaeng Khoi). As of 2023, the company has completed the construction of the Bangkok-Nong Khai high-speed railway, contract 2-1 (Sikhio-Kutchik) in Nakhon Ratchasima, marking the first high-speed railway contract completed by the company. This achievement represents a source of pride for the company, delivering a project that provides significant economic benefits to the country and its citizens.

(c) Airport Work

The company group began undertaking airport construction work in 1993, winning the bid to construct runways, taxiways,

aircraft parking aprons, and roads within the Ranong Airport area, with the contract valued at approximately 634.02 million baht. Furthermore, the company group has consistently won bids for both new construction and renovation of existing structures at airports. The primary works related to airport construction include airplane runways, aircraft parking aprons, buildings, and electrical and plumbing systems.

(d) Dam and Reservoir Work

The company group started its dam and reservoir construction work operations in 1982, winning the bid for the Klong Bueng flood basin development project, which involved constructing earth fill dams and associated buildings. Additionally, the company group has continuously won bids for small, medium, and large-scale dam and reservoir projects. Dam and reservoir projects are complex and require high construction technology. The main scope of work related to dam and reservoir construction includes (1) water diversion, pumping operations, and temporary conveyance channels (2) dam foundation improvements (3) earth dam and components construction (4) spillway structure construction (5) original stream water discharge pipe construction (6) dam crest roads (7) electrical system installation, and (8) maintenance roads behind the dam.

(e) Water Drainage Canal and Flood Mitigation Work

In 1982, the company group commenced its construction operations on drainage canals and flood mitigation by winning the bid for the excavation of water transmission canals and associated structures, part of the Mae Klong – Malaiman Agricultural Development Irrigation Project, Section 1, in Tha Muang District, Kanchanaburi Province, awarded directly by the Department of Irrigation. The project, valued at 260.71 million baht, marked the group's first foray into the drainage canal and flood mitigation sector. To date, the company group has undertaken a total of 11 projects in this category, accumulating a total project value of over 8,000 million baht, awarded by both the Department of Irrigation and the Department of Public Works and Town & Country Planning.

(f) Other Work

Beyond the above construction projects, the company group has endeavored to expand its opportunities to undertake other types of projects to support growth and diversify the company group's revenue. The projects that the company group has undertaken and executed include designing and constructing wastewater treatment systems, constructing drainage and wastewater treatment systems, excavating raw water canals, constructing manholes and underground electrical conduit, and building underground telephone ducts, among others.

Additionally, in 2016, the company group began contracting for industrial estate construction from winning the bid for the Rubber City industrial estate project in the southern industrial zone, Songkhla province, phases 2/2 and 3, with a contract value of 1,475.25 million baht. The main scope of work for such industrial estate construction includes land leveling, development of public utility systems, construction of various buildings, and improvements to buildings, wastewater, and water supply systems, among others. The Rubber City industrial estate project started in April 2016 and the final work phase was delivered in March 2019, which was within the contractually specified completion period.

1.2 Sale of Construction Materials Business

(a) Sale of Precast Concrete Components

The precast concrete products of the company group, operated under CCSP, can be produced, and sold to external parties, and used in the company group's construction projects.

Since the company group has a strategy to diversify its revenue sources beyond construction services and government agency clients, it completed the construction of a precast concrete component (Yard Segment) factory in July 2017 for use in its projects and sales to external parties. Between 2018 and 2019, the company group sold precast concrete components to a private construction company, totaling a contract value of 679.07 million baht, with the payment condition to the company group upon receipt of the project owner's payment, having an acceptance period as agreed in the contract averaging between 30 to 90 days. However, the company group will manage the sale of precast concrete components to external parties when there is excess production capacity from the components used in the company group's construction projects. The company group did not sell any precast concrete components to external parties in 2020 and the three-month period ending December 31, 2021, as all production was utilized within the company group itself.

(b) Sale of Construction Materials

Sale of Construction Materials

The company group capitalizes on its economy of scale and bargaining power with construction material suppliers to purchase and resell construction materials to subcontractors (both for use in the company group's projects and others) and other interested parties. When subcontractors purchase construction materials for use in the company group's projects, it ultimately helps the company group manage the overall project costs effectively.

The main construction materials sold include ready-mix concrete, stone, sand, and steel, among others. The company group proceeds with orders upon receiving purchase orders from subcontractors and offers credit terms of about 30 to 90 days. Moreover, the selling price of construction materials is determined based on cost plus profit as set by the company group.

Sale of limestone under the mining license granted to CCSP

On June 15, 2021, the Department of Primary Industries and Mines granted a renewal of one mining license to CCSP for limestone mining in a designated area in Saraburi Province for an additional 16 years, from June 10, 2021, to June 9, 2037. In November 2021, CCSP contracted Sila Global Saraburi for various operations to obtain limestone, such as for the construction industry and cement industry, given Sila Global Saraburi's expertise, machinery, personnel, and related resources for drilling, blasting, crushing, and distributing limestone.

This mining operation is expected to generate a continuous cash flow and diversify revenue sources from the sale of limestone. The main target customer groups include the concrete and cement industry, construction contractors, and construction material distributors. Moreover, the company group plans to use the limestone in its construction projects, particularly the high-speed railway project between Saraburi and Kaeng Khoi, which will help reduce construction costs and secure a stable limestone supply for the company group. According to the mining project plan submitted to the Department of Primary Industries and Mines, CCSP estimates the limestone reserves within the project area as follows: (1) approximately 12.7 million metric tons for the construction industry and (2) approximately 3.2 million metric tons for the cement industry. Sila Global Saraburi has an annual crushing capacity of about 2 million metric tons. CCSP and Sila Global Saraburi expect to begin drilling and blasting operations in the first half of 2022, as CCSP and/or Sila Global Saraburi are in the process of obtaining relevant permits from the governmental agencies (please see more details in section 2.2.8). Moreover, under the contract between CCSP and Sila Global Saraburi, CCSP agrees to pay a fee amounting to 80.00% of the monthly revenue from limestone sales, with a minimum sales threshold of 300.00 million baht over the first three years from the contract start date and no less than 500.00 million baht over the five-year contract duration.

1.3 Rental Business

Rental income for the fiscal year ending December 31, 2023, amounted to THB 20.59 million, accounting for 0.42% of the total revenue of the company group. The rental income structure of the company group consists of 1) rental income from leasing and real estate services, making up 80% of the total rental income, and 2) rental income from leasing machinery, tools, and equipment, constituting 20% of the total rental income.

(a) Office Building Space Rental and Real Estate Services

CCSP leases office space within one office building, the CEC building, located adjacent to Kamphaeng Phet 6 Road, near Vibhavadi Rangsit Road and Wat Samian Nari BTS station, a location with potential for growth. The leased or serviced area is on floors 1 to 6, totaling 4,193.70 square meters. The occupancy rate as of December 31, 2023, was 100%.

In considering the leasing of such space, the company group takes into account the purpose of the lease, the financial status of the lessee, the desired area size, and the lease duration. Lease agreements between the company and lessees specify a fixed rental rate, with terms ranging from 1 to 3 years, depending on negotiations between the parties, and require rent to be paid in advance at the beginning of each month.



CEC building

(b) Machinery, Tools and Equipment Rental

The company group optimizes asset utilization by leasing out machinery, tools, and equipment that the company owns and does not need to use during certain periods to subcontractors for use in the company group's construction projects. This approach effectively manages overall costs and generates income for the company group. Main machinery and equipment include cranes and backhoes, among others. The company group offers credit terms of about 30 to 90 days to lessees, and rental rates for machinery and equipment are determined based on cost plus profit as set by the company group.

2. Marketing and Competition

2.1 Competitive Advantages

1. The management and senior employees of the company group possess over 40 years of experience and expertise in the construction industry, supported by a new generation capable of continuing success firmly and sustainably.

The executive team, including the CEO, senior executives, and directors¹, totaling six members, averages over 20 years of experience in managing construction industry projects. Many of the principal managers and senior staff have been with the company for more than 40 years. These individuals have a broad range of construction technical experience and are well-known within the contractor community. The development of the company's success from the past to the present, moreover, the company has opened opportunities for new generation managers and employees, who are a key driving force in both operational and management levels. The success in bridging personnel across two generations is evident from the ability to win bids for large competitive projects, respond promptly to problems or changes, and deliver most construction projects on time and within budget. The company believes that the executive team's engineering experience and business relationships built with various stakeholders will contribute to the company's future growth and development.

Furthermore, Mr. Piyadit Atsavisirisuk, the CEO, is the third-generation heir of the Atsavisirisuk family, who started managing the company group in 2011. He is determined to modernize resources and keep pace with industry changes, such as implementing information technology systems for project management like SAP and Primavera programs, developing systematic operational processes, planning human resources for executive succession, and enhancing job-specific and management skills for all employees. The company continues to focus on developing work systems and processes continuously to ensure sustainable growth from one generation to the next. Since Mr. Piyadit took over management, the company has seen significant growth, from a construction services revenue of 851.06 million baht in 2010 to 5,896.11 million baht in 2022, nearly a 7-fold increase in 12 years.

2. The company group exhibits agility and resilience, allowing it to adapt swiftly to changes. This adaptability enables the company to develop its capabilities without limitation, supporting the construction of new and large-scale projects and expanding into related businesses to enhance revenue stability and cash flow.

Sustainable and stable growth must be accompanied by the organization's readiness to keep pace with changes in engineering expertise, personnel adaptability, and sufficient infrastructure. Therefore, the company has implemented policies to operate and analyze opportunities arising from changes and risk factors that may impact long-term operations, to allocate or invest in sufficient related resources.

This vision is evident from the company's past successes, such as the Bang Pa-In-Saraburi-Nakhon Ratchasima Intercity Motorway project, sections 29, 30, and 31, totaling approximately 5.50 kilometers, built through mountains and roadways. Despite engineering complexities, the company was able to deliver all projects ahead of schedule, particularly section 30, which was completed 8 months early. Key factors for the company's rapid construction include tight project planning, efficient resource allocation, a solid labor base, effective coordination with subcontractors and material suppliers, and having a precast concrete segment factory in Saraburi province, located nearby to meet project demands. This allows for construction planning and cost management to be under the company's control. Moreover, the location of the precast concrete segment factory is in a potential growth area to support future projects, as the region hosts numerous large construction projects, including the Bang Saphan Noi-Chumphon double-track railway and the Sikhio - Kut Chik high-speed railway, with the company being the first private contractor to win the bid for this Thai-Chinese high-speed rail line in the Northeast. The company has accumulated complex engineering experience, managed large construction projects, and prepared large machinery for future construction projects.

¹ Executives, as defined in the Securities and Exchange Commission Announcement No. TorJor. 39/2559 regarding the Application for and Granting of Permission to Offer Newly Issued Shares, consist of the Chief Executive Officer, Chief Officers of various departments, and the Director of Accounting and Finance, totaling 6 persons.

Additionally, the company group has made efforts to diversify its sources of revenue and cash flow beyond the construction services business. The group began offering office space leasing in 2012, machinery, tools, and equipment leasing in 2016, and constructed a factory and sold precast concrete segments in 2017 to support its construction projects and sell to external parties, including the sale of construction materials. Furthermore, CCSP was granted a renewal of its concession to quarry limestone, which is used for construction and cement production. This will serve as another source of revenue from the sale of construction materials and enhance the stability of stone supply for the company group. Commercial operations commenced in May 2022.

3. The company group effectively manages the costs of construction services by focusing on a balance in the types and sizes of projects, owning strategically located construction material production facilities, and utilizing technology to analyze and track project costs more efficiently.

Beyond expanding the revenue base for stable growth, the company places a high priority on efficient construction cost management for maximum shareholder benefit. The factors supporting such cost management include:

The diversity of project sizes helps balance the project value and returns, enabling the efficient use of available resources. The size of construction projects directly correlates with the return on investment, as large construction projects face high competition from large construction companies with low operating costs. Therefore, in addition to the strategy of expanding into large construction projects for growth, management also emphasizes balancing project sizes by undertaking small to medium-sized projects with less price competition. This is evident from the company structure, where the company and CCSP take on large projects, and THE handles small to medium-sized projects. Executing both small and large projects allows the company to maintain continuous construction work, thereby efficiently utilizing resources such as personnel, machinery, and equipment.

The use of information technology and modern machinery in operations enhances work efficiency and project cost control. The company has implemented Information Technology (IT) systems, such as SAP for tracking and analyzing project costs, and Primavera for project planning and progress monitoring. Organizing units to inspect and monitor projects has improved accuracy and management, enabling the company to identify problems and respond

accurately and promptly. Additionally, the company prioritizes new construction innovations by investing in construction machinery and equipment to save labor, increase speed, and improve accuracy.

Accumulating engineering and project management experience, the company has constructed increasingly complex and large-scale projects, developing engineering techniques, planning work to meet conditions, and delivering project milestones. Investing in new construction technology machinery and equipment enhances work efficiency and liquidity management. For instance, the Saraburi-Kaeng Khoi section of the high-speed railway, the largest project the company has ever undertaken, leveraged experience from the Bang Pa-In-Saraburi-Nakhon Ratchasima Intercity Motorway and railway projects, which share similar components like precast concrete segment production, pile drilling, and construction quality testing to international standards.

Owning construction material production plants and offices in strategic locations provides a competitive advantage in construction material costs and transportation. As of December 31, 2023, the company owns 11 factories capable of producing 5 types of primary construction materials, such as precast concrete components, ready-mix concrete, asphalt concrete, corrugated steel culverts, and precast concrete barrier panels, which were crucial for the company's construction projects. This advantage helps reduce raw material costs by proximity to raw material sources and transportation costs from being close to major construction projects, evident from the increase in gross profit from construction services in 2017, partly due to the commercial operation of the precast concrete component factory in July 2017.

Good relationships with stakeholders, especially construction material suppliers and contractors, support sustainable long-term growth. A key factor in the company's success in winning bids and delivering quality work is the commitment to treating not just as vendors but as business partners for sustainable growth. This includes transferring engineering knowledge and project management skills to subcontractors to enhance work efficiency and meet the company's standards, strengthening the labor network. Additionally, by adhering to trade conditions with construction material suppliers, these positive relationships help the company procure construction materials in desired quantities and timings at competitive prices.

4. The company group is registered as a high-grade contractor in various areas with governmental agencies, allowing it to smoothly conduct construction operations. This demonstrates that, beyond engineering capabilities, the group also possesses knowledge and understanding of government operational systems.

The company group is listed as the top contractor for road work in several government agencies that are clients of the group, including the Comptroller General's Department, the Department of Highways, and the Department of Public Works and Town & Country Planning, among others. This indicates acceptance by various government agencies based on quality, the ability to continually undertake large-scale construction projects, and an understanding of the public sector's operational systems. Moreover, securing construction contracts from the public sector presents high barriers to entry for the construction business with government agencies, as contractors must be ranked according to criteria set in the Terms of Reference (TOR) and have a portfolio of reference works, which requires accumulating a track record over a long and continuous period. Contractors must also follow the procedures and regulations of each government agency. Therefore, being registered as a top contractor gives the company an advantage in bidding for large and complex projects. The company group's executives believe that the current contractor registration and any future requests for additional registrations are prepared to support the company group's operations according to its business plan.

5. The company group has proven its success by winning bids for construction projects of various types and sizes. Additionally, the group has controlled processes to ensure timely delivery within the allocated budget.

The company group was founded by Mr. Aree Atsavarisuk and Mr. Chaiwal Atsavarisuk in 1966, foreseeing the opportunity for nationwide highway expansion. Starting with small roadwork, the group expanded to large-scale projects valued at over one billion baht, involving complex engineering challenges. The group's capability is widely recognized by project owners and stakeholders, with notable construction projects like the Ratchadaphisek-Vibhavadi Rangsit intersection flyover and the elevated Borommaratchachonnani parallel route, establishing the group's reputation. This track record has enabled the group to win bids in other construction categories, such as dam and reservoir construction, which require advanced expertise and techniques, long highway constructions requiring systematic surveying and planning, and competitive double-track and high-speed railway projects involving both domestic and international contractors.

From its inception to the present, the company group has undertaken projects with a total value of over 50,000 million baht. The management emphasizes planning processes for construction projects to ensure timely and budget-compliant completion, bidding for new projects, and developing and recruiting talent for growth. The growth in the value of construction contract backlog (Backlog) confirms the company's success and readiness for stable and sustainable growth, maintaining a backlog value of no less than 10,000 million baht, with a value of 10,323.95 million baht at the end of 2022 and 13,800 million baht at the end of 2023. The highest construction contract awarded to the group in 2019 was valued at 8,000.00 million baht for the Saraburi-Kaeng Khoi high-speed rail segment, signed on November 26, 2020. This demonstrates the group's capability and determination to enhance its potential and ability to undertake increasingly large projects.

In 2022, the company group joined the UCN joint venture, a collaboration between the company, Unique Engineering and Construction Public Co., Ltd., and Nonthaburi Engineering Co., Ltd., to bid for the construction of a flood drainage canal and associated buildings, Contract 6 of the Bang Ban - Bang Sai Flood Drainage Canal project in Ayutthaya province. This project aimed to mitigate flooding during the rainy season in the area. In September 2023, the group agreed to transfer the entire work share from both partners, resulting in a 100% stake in the UCN joint venture for the company group.

Moreover, the group prioritizes delivering work on time and within the budget to sustain long-term growth. This includes cost management to minimize the risk of cost overruns, a result of engineering expertise and the use of information technology (IT) systems to enhance efficiency and accuracy in monitoring project progress in terms of operation timing and production costs. The group uses SAP system data to analyze construction costs incurred in each project, comparing it with cost estimates and engineering progress monthly. Additionally, the company has established a checks and balances system within the organization, such as the Project Control department, responsible for tracking progress, checking project costs, and estimating construction costs for each project managed by project managers, along with monthly reporting of performance tracking and obstacle analysis to executives. Due to these strengths, throughout 2023, the company group did not incur any penalties for delayed work delivery.

6. The company group operates in the construction industry, which is expected to grow and is one of the driving forces of Thailand's economy.

Investment in infrastructure construction projects is a critical part of public investment, as seen in the 13th National Economic and Social Development Plan for 2023-2027, which identifies infrastructure development and supporting factors as one of the country's strategies that need to be continuously implemented. This includes infrastructure for transportation, transportation services, and logistics networks along key routes and seamless connections to neighboring countries, emphasizing continuous rail transport development to facilitate investment and cross-border trade, making Thailand a key trade gateway. Additionally, investment in infrastructure to support and accommodate tourism and services in potential provinces is emphasized. State investment in infrastructure construction projects will lead to employment and the purchase of construction materials and services, increasing domestic capital circulation, which will result in increased private sector consumption and investment, especially in areas with infrastructure investment. The EIC forecasts that the total construction value in 2024 will reach 1.41 trillion baht, presenting an opportunity for the company group to take on more work from the government's investment plan in construction projects, thus expanding business growth for the group.

2.2 Business Strategy

1. Aim to leverage success in obtaining government infrastructure projects to private construction projects and develop the capability to undertake increasingly diverse construction projects.

Historically, most of the construction project owners for the company group have been government agencies, continuously opening bids for construction projects with stable financial status. Nevertheless, the company group plans to expand its customer base, diversify income sources, and increase the overall return rate by taking on more diverse state construction projects from different agencies and types and expanding into private sector construction projects, using the group's engineering expertise and efficient cost management as competitive advantages. The group may bid for and manage projects directly and/or in collaboration with various partners in the form of companies and/or joint ventures, depending on competitiveness and suitability. The company group's registration as a high-tier contractor in various fields with government agencies and its smooth operation of construction projects demonstrate its

engineering skills and understanding of government operations.

The criteria for winning bids in the private sector often consider technical aspects and timelines, in addition to price factors, like government bids. The company group will directly compete in private sector construction projects and/or subcontract from financially solid large contractors. Additionally, the group plans to expand growth opportunities from infrastructure construction work to other types of construction projects, enhancing the group's capability to become an all-encompassing construction expert and increase the proportion of private sector projects in the future.

However, the management is committed to continuously developing and enhancing personnel skills, both in construction techniques and management, including adopting technology to streamline operations, evident from the group's past construction work that has won bids and managed large and complex projects like roads, dams, reservoirs, airports, and railways. In the long run, the group plans to undertake both public and private building construction projects, either managing entire projects or subcontracting certain parts, and collaborating with other private construction contractors to combine expertise in various fields competitively in the industry.

2. Enhance revenue and cash flow stability through participation in Public-Private Partnership (PPP) investment projects.

Beyond the revenue and cash flow from various construction projects, which depend on the number and value of projects the group wins, the management aims to ensure continuous revenue and cash flow from participating in PPP projects, where the group invests and receives returns over the contract period. This strategy is supported by the government's push for numerous PPP investments to enhance management efficiency and reduce the state's financial burden, with the Public-Private Partnership Act of 2019 outlining a long-term investment plan from 2020 to 2027 for 135 projects, totaling about 1.19 trillion baht in investment, including 24 high-priority PPP projects mainly in roads, highways, expressways, road transport, electric trains, rail transport, and port projects. With the group's engineering expertise in special road works, railway construction, and other large infrastructure projects, good cost management, and a well-known presence in the construction industry, the group is well-positioned and ready to invest with the state or take on construction and management from selected bidders if opened for bidding.

3. Aim to expand into businesses related to construction services, such as selling various types of construction materials that incorporate production technology, to meet industry demands and balance the group's revenue.

The company group recognizes the importance of mitigating the risks arising solely from its core business. Therefore, it focuses on seeking opportunities to extend its existing construction business, in which the group has long-standing expertise, to diversify its income and returns from a broader range of businesses. This diversification includes expanding its customer base within the construction services (Construction) business from focusing on public sector clients to increasing the proportion of private sector clients, both from infrastructure construction work and other types of construction projects. Additionally, the group plans to expand into non-construction business areas such as machinery and equipment rental for construction, commercial real estate, and mining, areas in which the company is already active. However, the group sees future growth opportunities in these business sectors to enhance the overall profitability and revenue stability of the company, beyond just income from construction services. Starting in 2017, the group initiated the production and sale of various types of precast concrete components, committed to continuously expanding the sale of other construction materials. In 2017, the group began operations at a precast concrete component factory in Saraburi Province, with a production capacity of approximately 3,600 pieces per year, selling these components to private companies. Moreover, the group continues to seek opportunities for producing and selling such precast concrete components if such production can generate adequate returns for the group and align with the production plans for the group's construction projects. During 2022, the group commenced commercial operations in producing and selling limestone for the construction industry and cement industry limestone, having been granted an extension of the mining license on June 15, 2021, by the Department of Primary Industries and Mines for another 16 years, from June 10, 2021, to June 9, 2037. This resulted in an increase in revenue from the business of selling limestone for industrial use in 2023, amounting to 91 million baht. Additionally, the group can leverage its resources, such as personnel expertise, production facilities, and good relationships with various raw material suppliers, to benefit its construction material sales business. This increase aligns with the growth of the construction contracting projects and the company group's strategy to expand its construction material sales business and take advantage of the group's economies of scale and bargaining power with suppliers.

4. Enhance operational efficiency through continuous personnel development to retain and grow talented managers and employees alongside the company group.

The company places importance and is committed to promoting and developing the potential and capabilities of its employees continuously, covering both hard skills (technical knowledge used in work) and soft skills (interpersonal skills) for personnel at all levels, including instilling a culture of lifelong learning within the company group.

Personnel are considered a crucial resource for the company group. Thus, ongoing development of personnel is vital to retain talented individuals and ensure their growth with the company group sustainably. For the company to grow sustainably, it is essential that management and employees work in unison, moving forward together in the same direction to achieve the company group's set goals. The company has laid out strategies for developing and retaining personnel as follows: (1) Continuous development and training of necessary and crucial skills, encompassing three aspects: (1.1) Core Competency - building foundational capabilities in a unified direction and fostering a corporate culture that aligns with business growth, involving mandatory training courses according to the annual development plan; (1.2) Functional Competency - ensuring personnel have the knowledge, abilities, and skills in their respective fields, including training programs for engineering skills and maintenance skills; (1.3) Managerial Competency - enhancing personnel's knowledge and skills in managing their work and team for greater efficiency and effectiveness, including leadership development and knowledge transfer within the organization. The success of such development strategies can be measured by self-assessment and annual performance evaluations. (2) Clearly defining career paths, the company sets individual skill development plans, facilitating a collaborative planning process between line managers and employees to align personal development with the company's expectations and prepare employees for higher positions, especially for critical roles identified for succession. (3) Emphasizing two-way communication, recognition, and awareness, creating opportunities for employees to participate in suggestions and feedback for problem-solving or success sharing, thereby reducing the gap between management and employees, and enhancing engagement. (4) Supporting work-life balance, the company not only focuses on skill development but also prioritizes creating an environment that supports a balance between work and personal life, contributing to overall job effectiveness.

Since 2022, the company has established a Training Academy to develop necessary and crucial skills, especially in specialized and rare skilled labor groups, aiming for these groups to apply their training correctly and safely. This also includes skills transfer from senior to junior employees, elevating personnel development in both soft and hard skills.

Moreover, management has implemented a Succession Plan, Career Path Project, and Talent Management Project to highlight career advancement opportunities within the company through various organizational activities. Another key factor in retaining current personnel and attracting external talent is offering competitive compensation and analyzing and selecting benefits to meet target groups' needs most effectively, including provident funds, life insurance, and other benefits.

5. The company group is skilled in construction project management and managing the company's size to enhance its capacity to take on more and larger construction projects, managing profit margins at appropriate levels while fostering sustainable growth.

With over 57 years of expertise in the construction industry, the company has partners, including subcontractors and materials suppliers, ready to collaborate on increasingly large and complex projects. This partnership, combined with the company's project management expertise, allows the company to expand its capacity for construction projects without heavily investing in machinery, tools, equipment, human resources, and infrastructure, thus avoiding high fixed costs but maintaining quality through skilled partners and managing profit margins as expected. Additionally, this approach reduces the risks associated with the uncertainties of project-based business operations.

2.3 Industry and Competition Conditions

1. Overview of the Thai Economy

The Thai economy expanded by 1.9% in 2023, slowing down from the 2.5% growth in 2022. The inflation rate stood at 1.2%, and the current account balance had a surplus of 1.3% of GDP.

The National Economic and Social Development Council anticipates that the Thai economy in 2024 will grow between 2.2% to 3.2%, supported by the rebound in goods exports, strong private consumption and investment, and the continuous recovery of the tourism sector. Private consumption and investment are expected to expand by 3.0% and 3.5%, respectively. The dollar value of exports is projected to grow by 2.9%, while the average inflation rate is forecasted to be between 0.9% to 1.9%. The current account balance is expected to have a surplus of 1.4% of GDP. However, the recovery of the Thai economy faces significant risks and limitations that could result in growth lower than anticipated, including fiscal policy constraints, high household and business debt levels, risks from drought affecting agricultural output, and global economic and financial system volatility that could reduce trade volumes and economic activity in trading partners more than expected (Source: NESDC Economic Report, Q4 2023, Full Year 2023, and Outlook for 2024, as of February 19, 2024)

Economic Forecast 2024

(% YoY)	2022	2023					2024 (f)
	FY	FY	Q1	Q2	Q3	Q4	FY
GDP (CVM)	2.5	1.9	2.6	1.8	1.4	1.7	2.2–3.2
Total Investment ¹	2.3	1.2	3.1	0.4	1.5	-0.4	2.5
Private sector	4.7	3.2	2.8	1.4	3.5	5.0	3.5
Government sector	-3.9	-4.6	4.2	-2.1	-3.4	-20.1	-1.8
Private Consumption	6.2	7.1	5.9	7.3	7.9	7.4	3.0
Government Consumption	0.1	-4.6	-6.0	-4.3	-5.0	-3.0	1.5
Value of Goods Exports ²	5.4	-1.7	-3.8	-5.0	-2.0	4.6	2.9
Quantity ²	1.2	-2.9	-5.7	-5.3	-3.1	3.2	2.4
Value of Goods Imports ²	14.0	-3.1	0.5	-6.6	-10.7	6.1	4.4
Quantity ²	1.2	-3.6	-3.5	-4.8	-10.4	5.3	3.2
Current Account Balance as a Percentage of GDP	-3.2	1.3	2.7	-0.8	2.1	1.2	1.4
Inflation	6.1	1.2	3.9	1.1	0.5	-0.5	0.9-1.9

Note: ¹ Total Investment refers to the initial accumulation of fixed capital

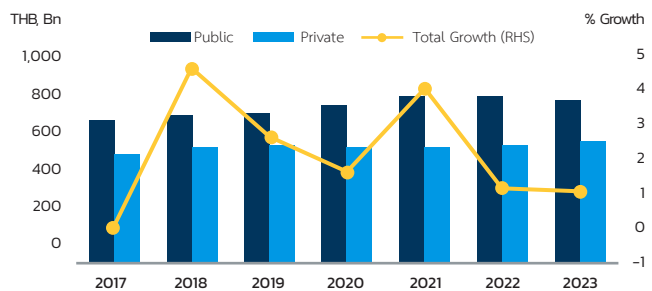
² Bank of Thailand's Balance of Payments Database

According to the 13th National Economic and Social Development Plan (2023-2027), the goal is to make Thailand a key gateway for trade, investment, and strategic logistics in the region. The plan emphasizes (1) investment in infrastructure and development of supporting factors, (2) development of an integrated and seamless transportation and logistics system capable of multimodal transport, (3) continuous focus on rail transport, (4) development and enhancement of riverine and coastal transport capabilities, (5) improved efficiency in logistics management, (6) support for the development of logistics service centers, and (7) encouraging private sector participation in further infrastructure investments. Given the plan's direction towards infrastructure investment, public sector investment becomes a crucial driver for the overall construction industry in Thailand from 2023 to 2027.

2. Overview of the Construction Industry in Thailand

In 2023, the construction services business was stable compared to the same period in 2022, evidenced by a 0.4% increase in the overall construction investment value, amounting to 1,373.7 billion baht compared to a 0.5% expansion, totaling 1,368.6 billion baht in 2022. This was supported by an increase in private sector construction value driven by the construction of industrial plants and commercial buildings, while public sector construction value contracted due to delays in major construction projects and the absence of new large-scale projects during this period, partly due to political factors affecting the formation of a new government.

Picture 1: Investment in Construction



Construction	2017	2018	2019	2020	2021	2022	2023
Value (THB, bn)	1,212.4	1,268.3	1,297.5	1,311.6	1,362.1	1,368.6	1,373.7
Growth (% YoY)	-0.9	4.6	2.3	1.1	3.8	0.5	0.4

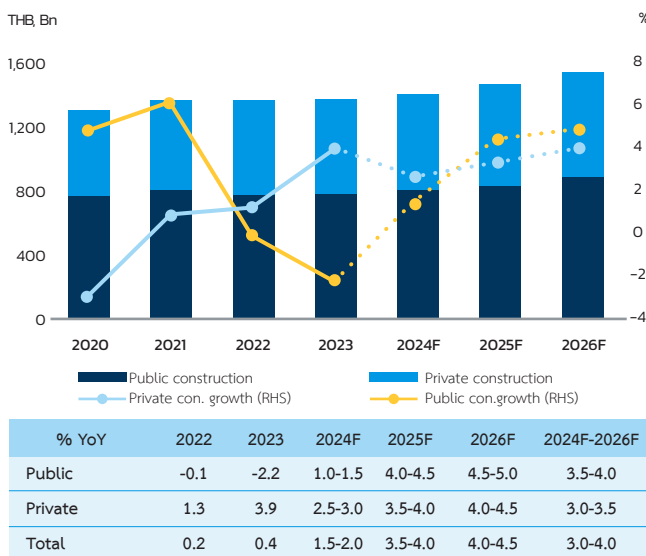
Source : NESDC

According to Krungsri Research Center, the construction services business from 2024 to 2026 is expected to grow at an annual rate of 3.0-4.0%, driven by state projects, especially those related to the Eastern Economic Corridor (EEC), under the action plan for developing Thailand's logistics system from 2023 to 2027. Meanwhile, private sector investment in both residential and commercial real estate is expected to gradually recover, expanding by 3.0-3.5% due to improved purchasing power alongside the economy and progressing infrastructure investments. However, the primary growth constraints are likely to stem from high construction costs, including materials, labor, and transportation costs, following energy price trends. Additionally, challenges such as climate change and the goal of achieving Net Zero emissions will compel operators to quickly adapt by investing in technologies that reduce the use of resource-intensive construction materials (Source: Business/Industry Trends 2024-2026: Construction services by Krungsri Research Center, March 2024)

2.1 Public Sector Construction Projects

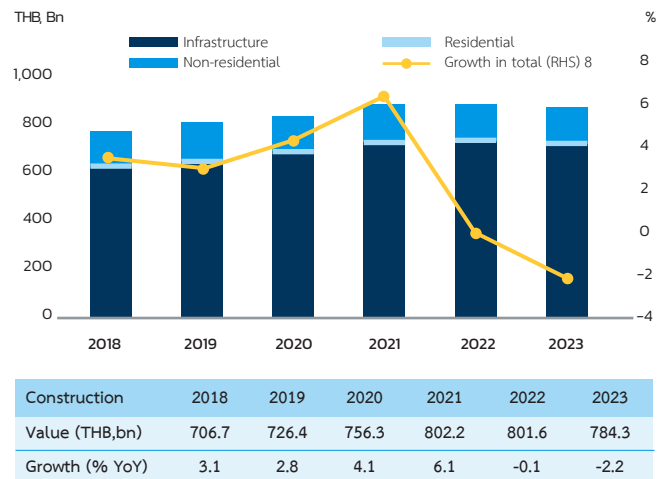
Public sector construction in 2023 had a value of 784.3 billion baht, contracting by -2.2% compared to 2022 (Figure 3), following a contraction in infrastructure construction, which accounted for 81% of the total value of public sector construction, shrinking by -3.6%. Part of this was due to delays in the construction process, from budget disbursement to construction duration. Key ongoing investment projects from the past year that continued to expand include various electric train lines and mega projects in the Eastern Economic Corridor (EEC) area. However, other types of public sector construction, such as government agency office buildings, contracted by -3.8% due to many medium-small contractors facing liquidity problems and a significant labor shortage during the heavy COVID-19 outbreak (Source: Business/Industry Trends 2024-2026, Construction services, from Krungsri Research Center, March 2024)

Picture 2: Forecasting Construction Investment



source: Krungsri Research Center, Business/Industry Trends 2022-2024
Construction Business (Data as of March 2024)

Picture 3: Investment in Public Sector Construction



Source: NESDC

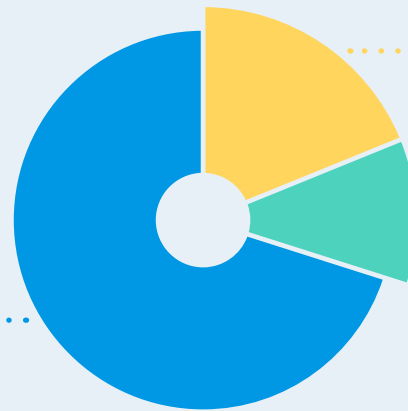
Additionally, the plan for Public-Private Partnership (PPP) projects between 2020 and 2027 (updated in February 2024) includes 135 projects with a total investment value of 1.19 trillion baht. This will consist of various infrastructure and public service enterprises, which can be summarized as related to road works, railway works, and port works as follows:

Public-private partnership projects related to infrastructure and public services under Section 7 of the Public-Private Partnership Act, 2019

Total **135** Projects

Total Project Value
1,186,336 MB

Initiative
93 Projects
331,239 MB



High Priority

24 Projects
646,661 MB

Normal

18 Projects
208,436 MB



Road Transportation
23 Projects
(338,372 MB)

- 9 Projects (29,826 MB)
- 4 Projects (162,078 MB)
- 10 Projects (146,468 MB)



Water / Wastewater Treatment
24 Projects
(168,011 MB)

- 2 Projects (89,200 MB)
- 1 Projects (15,200 MB)
- 21 Projects (63,611 MB)



Education
5 Projects
(12,941 MB)

- 5 Projects (12,941 MB)



Rail Transport
16 Projects
(578,367 MB)

- 7 Projects (489,948 MB)
- 9 Projects (88,420 MB)



Energy
1 Project
(N/A)

- 1 Projects (N/A)



Low/Middle – Income Housing, Elderly Care
16 Projects
(854 MB)

- 3 Projects (854 MB)
- 13 Projects (N/A)



Air Transport
32 Projects
(42,267 MB)

- 7 Projects (29,608 MB)
- 25 Projects (12,659 MB)



Communication
1 Project
(685 MB)

- 1 Projects (685 MB)



Convention Centers
2 Projects
(11 MB)

- 2 Projects (11 MB)



Water Transport
12 Projects
(366,035 MB)

- 5 Projects (36,035 MB)
- 7 Projects (6,568 MB)



Public Health
3 Projects
(8,793 MB)

- 1 Projects (8,220 MB)
- 2 Projects (572 MB)

Examples of key public-private partnership projects related to infrastructure and public services include:

Projects	Est. Project Value (Million Baht)	Type of Asset ownership	Project Duration	Selection Period	Est. Commencement Period
Road work, Highways, Expressways and Road transportation					
1. The expressway project, Kathu - Patong, Phuket Province ⁽¹⁾	14,671	BTO	35 Years	2023	N/A
2. The project for the development and management of roadside accommodations on the intercity expressway No. 6, Bang Pa-In – Nakhon Ratchasima ⁽¹⁾	3,279	BTO	30 Years	2022	2026
3. The project for the development and management of the Sriracha Highway Service Center on the intercity expressway No. 7, Bangkok-Ban Chang, Chonburi-Pattaya section ⁽¹⁾	2,929	BTO	30 Years	2023	2026
4. The intercity expressway project No. 8, Nakhon Pathom - Cha-am, Nakhon Pathom - Pak Tho section	43,227	BTO	30 Years	N/A	2029
5. The intercity expressway project No. 9, Outer Ring Road of Bangkok, West Side, Bang Khun Thian - Bang Bua Thong	56,035	BTO	30 Years	2024	2029
6. The intercity expressway project No. 84, Hat Yai - Thai / Malaysia border	38,681	N/A	N/A	N/A	2031
7. The intercity expressway project No. 82, Bang Khun Thian - Ban Phaeo, in the part of the private sector partnership in operation and maintenance	31,457	BTO	30 Years	2023	2026
8. The intercity expressway project No. 5, Uttaraphimuk Extension, Rangsit - Bang Pa-In section	31,358	BTO	30 Years	2024	2029
9. The intercity expressway project No. 7, Srinagarindra – Suvarnabhumi	29,892	N/A	30 Years	2025	2030
Railway, Electric trains, and Rail transportation					
10. The Orange Line electric train project, Bang Khun Non - Min Buri (Suwinthawong) section ⁽¹⁾	235,320	BTO	30 Years	2022	2026
11. The Purple Line electric train project, Tao Poon - Rat Burana (Kanchanaphisek Ring) section ⁽¹⁾	120,846	BTO	N/A	2024	2028
12. The Brown Line electric train project, Khae Rai - Lam Salee (Bueng Kum) section ⁽¹⁾	41,720	BTO	30 Years	2024	2028
13. The Light Rail Transit (LRT) project, Bang Na - Suvarnabhumi Airport section ⁽¹⁾	39,380	BTO	30 Years	2024	2029
14. The Monorail project, Grey Line, Watcharaphon - Thong Lo section ⁽¹⁾	27,884	BTO	30 Years	2024	2029
15. The Monorail mass transit project in Hat Yai District, Songkhla Province ⁽¹⁾	17,586	BOT	30 Years	2024	2029

Projects	Est. Project Value (Million Baht)	Type of Asset ownership	Project Duration	Selection Period	Est. Commencement Period
Airport and Air transportation					
16. The warehouse project at Suvarnabhumi Airport by the second operator	9,400	BTO	20 Years	2024	2027
17. The warehouse project at Suvarnabhumi Airport by the third operator	6,589	BTO	25 Years	2023	2026
18. The car parking and ground equipment service project at Suvarnabhumi Airport by the second operator	8,631	BTO	20 Years	2024	2027

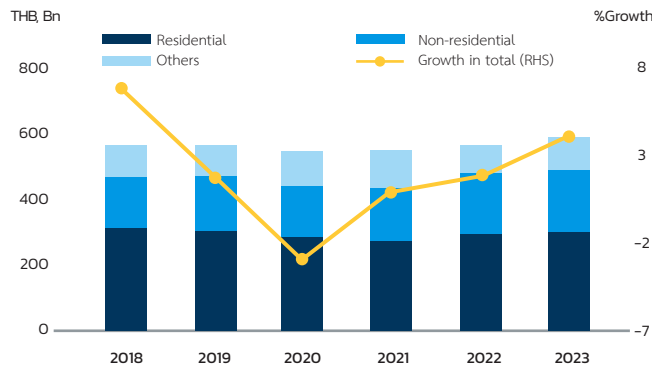
Note: ¹ Projects categorized as High Priority PPP Projects

Source: Office of the State Enterprise Policy Office (February 2024)

2.2 Private Sector Construction Projects

Private sector construction work in 2023 expanded by 3.9% (Figure 4), primarily driven by factory and commercial building projects. This expansion includes both residential construction projects, following improved economic activities and tourism, and non-residential construction work, partly boosted by the expansion of investment in factory construction and office buildings in industrial estates, especially in the Eastern Economic Corridor (EEC), following the gradual recovery of investment.

Picture 4: Investment in Private Sector Construction



Construction	2018	2019	2020	2021	2022	2023
Value (THB,bn)	561.6	571.1	555.3	559.9	567.0	589.4
Growth (% YoY)	6.6	1.7	-2.8	0.8	1.3	3.9

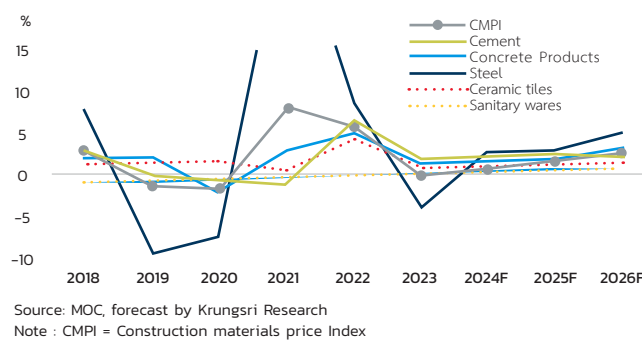
Source: NESDC

According to Krungsri Research Center, it is expected that there will be an average expansion of 3.0-3.5% during 2024-2026. The growth is supported by residential construction projects expected to increase in new sales launches, driven by the expansion of the state's transportation network, construction of factories and industrial estates, expected to benefit from accelerated state infrastructure investments, especially EEC projects, and commercial building projects, which include the construction of retail spaces and office buildings. (Source: Krungsri Research Center, Business/Industry Trends 2024-2026, Construction Business, March 2024)

2.3 Construction Materials Prices

The demand for construction materials is expected to increase in line with the overall value of construction investment expected to expand, especially from investments in large construction projects. However, the overall trend of construction material prices in 2024-2026 is expected to remain high and may slightly increase (Figure 5). Factors affecting the volatility of construction material prices in 2024 include 1) Energy prices, which are a significant cost in the production of construction materials, fluctuate due to geopolitical risks, including the ongoing Russia-Ukraine war and the Israel-Hamas conflict, which are expected to be prolonged; 2) The real estate crisis in China, leading to decreased demand for steel in China, poses a risk of cheap steel being imported into Thailand, potentially lowering steel prices; and 3) The exchange rate, with the Thai baht expected to strengthen, leading to reduced prices for imported construction materials. (Source: Krungsri Research Center, Business/Industry Trends 2024-2026, Construction Business, March 2024 and SCB EIC, Construction Industry Trends 2024, January 2024)

Picture 5: Growth Rate of Construction Material Prices



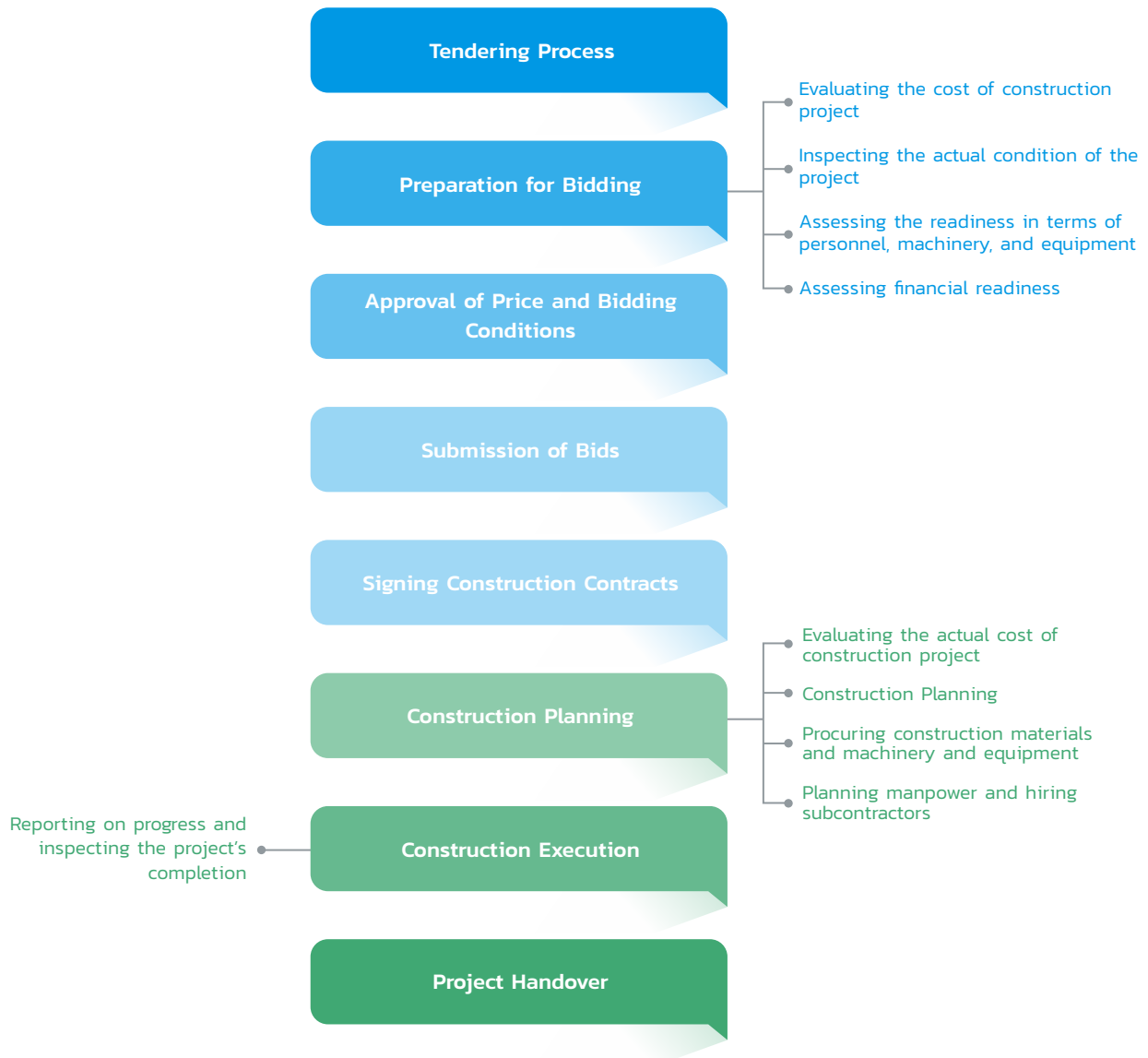
2.4 Minimum Wage

Although the past labor shortage in the construction industry has resulted in wages higher than the minimum wage, in 2024, construction costs may rise due to an increase in the minimum wage. This is due to government policy plans to gradually increase the minimum wage to 600 baht per day by 2027.

3. Procurement of Products or Services

3.1 Construction Services Business

3.1.1 Work Procedures



The details of the Company group's operational procedures are as follows:

1. Tendering Process

The company group regularly follows the announcement of construction projects from the website of the Comptroller General's Department, tender newspapers, and directly contacts project owners. The bidding department will present interesting projects for consideration to the Senior Engineering Officer regarding whether to purchase the tender documents or not, based on the following primary factors:

- 1) Qualifications as specified in the tender documents, such as financial status, experience, and types of registration with government agencies, etc.
- 2) The attractiveness of the project in terms of project type, estimated price, volume of work, and contract duration.
- 3) The initial readiness of manpower, machinery, and equipment.

If the Senior Chief Engineering Officer finds the project interesting, the next steps for purchasing the designs will proceed. The management committee will consider companies for bidding based on the main factors as follows:

- 1) Qualification requirements as per the conditions in the tender documents, where the company and CCSP have been ranked as special or first-class contractors in various categories and agencies, and THE has been ranked as a first or second-class contractor depending on the job type and government agency.
- 2) Past performance as per the conditions in the tender documents.
- 3) Project size, where the company and CCSP will take on large construction projects starting from 100 million baht, while THE will take on small to medium-sized projects valued at less than 100 million baht. However, THE may take on larger projects to accumulate a portfolio of construction work for enhancing qualifications for future bids.

Furthermore, when bidding for large construction projects, the company group may join with various partners in a joint venture format to gain a competitive advantage and meet the qualification conditions in the tender documents. The company selects partners based on the following key qualifications:

- 1) Engineering expertise, which will enhance the joint venture's ability to compete on price through efficient cost management.
- 2) Past performance.
- 3) Reliability and financial status.
- 4) Alignment with business strategy.

The administration will analyze the advantages, considerations, and conditions of participating with any partner and then proceed to seek approval according to the operational authority.

2. Preparation for Bidding

After purchasing the designs, the engineering department will organize the construction designs and the Bill of Materials to categorize item types for project cost estimation, considering the following main factors:

- 1) The project location, affecting labor, material costs, and transportation costs, and considering potential obstacles and risks.
- 2) The complexity or specificity of the work.
- 3) Construction material prices from supplier quotes, which are prices as of the estimation date and may change on the actual purchase date.
- 4) Labor costs, where the engineering department estimates the number of workers needed and calculates based on the work duration.

- 5) Subcontractor fees, from quotes for work parts the company group deems appropriate.
- 6) Estimated actual operation duration and the timeline specified in the tender invitation.

Estimating the project cost for bidding is crucial for winning the tender and determining the return rate from construction. To ensure accurate cost estimation, the engineering department presents the preliminary cost estimation along with other departments such as Human Resources for labor readiness, the Machinery department for machinery and equipment readiness, the Procurement department for verifying construction material prices and subcontractor rates, and the Finance department for financial costs and necessary funding.

3. Approval of Price and Bidding Conditions

The engineering department will present the cost estimation compared to the proposed price to the Executive Committee for approval. The committee will consider the final bid value based on competition, return rate, and various risks. Upon deciding to bid, the engineering department coordinates with the finance department to prepare a bid bond of approximately 5.0% of the estimated price.

4. Submission of Bids

Submitting bids to government agencies involves technical documents, including qualification documents and price documents. Government agency selection criteria focus on price, selecting the lowest bidder meeting the qualifications. For private company bids, considerations include technical aspects, price, experience, and project duration.

5. Signing Construction Contracts

If the company group wins a bid, it must confirm the price with the government agency and sign the contract, including applying for financial guarantees and short-term loans for the project. The company group will provide a performance bond of about 5.0% to 10.0% of the contract price, and the government agency will return the bid bond. Payment conditions include (1) payments per actual work volume at specified dates in unit price contracts, typically monthly payments, and (2) payments upon milestone completion. Contract changes to align with on-site conditions may be proposed after signing.

Some contracts require advance payments of about 10.0% to 15.0% of the contract value, but the company group must provide full guarantees for these advances, deducted from payments as work progresses.

For subcontracts from other companies, payment conditions may depend on the employer receiving payments from the project owner, typically averaging 30 to 90 days after delivery, a common industry practice.

6. Construction Planning

Construction planning starts with actual cost estimation and project planning. The engineering chief officer must approve detailed itemized cost assessments, recorded in the SAP system for budgeting. Initial construction project planning includes (1) disbursing payments in stages aligned with the actual construction plan and (2) detailed construction planning, assigning project managers and structuring project management. Project teams survey the site, plan work areas, inspect material sources, and prepare detailed construction plans, including steps, contract payment schedules, and project duration. Planning also involves manpower, subcontractor hiring, and material and equipment purchasing. The company group uses IT to control and monitor construction progress.

7. Construction Execution

During construction, project engineers and supervisors monitor, control, and inspect quality and progress according to the plan, reporting weekly analyzing quarterly. Any project obstacles are reported to management and informed to the project owner as per requirements, ensuring awareness. Contract conditions with public entities may allow for deadline extensions or penalty adjustments due to force majeure or employer faults, requiring documentation within 15 days after the incident ends.

control involves recording actual expenses in SAP and comparing them monthly and quarterly against the budget. The engineering department investigates any variances for possible adjustments.

Financial management during construction involves managing cash flows from project deliveries and payments for materials, labor, and related expenses, funded by internal cash flow, advance payments, project stage payments, and short-term loans, usually secured by project payment rights.

8. Project Handover

As specified in the construction contract, once the progress of the construction project is completed according to the volume of work, or the timeline that the company group can deliver work for each stage, the engineering department along with the project owner's consultant will proceed to inspect the quality of work to ensure it complies with the contract, and then proceed with the work handover and

payment withdrawal with the employer. Moreover, after the company group has delivered the final stage of work, most construction contracts stipulate that the company group must provide a performance guarantee for a period of approximately 24 to 36 months.

In principle, when withdrawing payment for each stage, the company group will have a performance guarantee deducted from each stage's payment, with the guaranteed value being approximately 10.0% of the payment for each stage. However, the employer will return the performance guarantee or such security to the company group when the project owner makes the final stage payment.

Additionally, government contracts may include price adjustment clauses based on specified formulas and indices, like the Ministry of Commerce's construction material price index.

3.1.2 Procurement of Construction Materials, Machinery, Tools, and Equipment

(a) Construction Materials

Managing the cost of construction materials is a crucial part of the overall cost management for the Company group. Therefore, every step from planning the purchase in terms of quantity and delivery timing, selecting construction material suppliers, negotiating purchase conditions, transporting, receiving goods, and making payments is given importance.

The procurement process begins with the procurement department, together with the project manager, planning the use of construction materials—what types are needed, when, and in what quantity—to ensure orders align with the construction material usage plan. The policy of the company group is not to purchase construction materials for speculative purposes. Moreover, the project manager will identify which materials will be bought from sources near the project site to reduce transportation costs. If the construction project is near the Company group's production plants, coordination with the plant units for production planning will occur.

The procurement department will then request quotes from various construction material suppliers, comparing at least two suppliers for each material type. However, some materials may only have a single supplier. The procurement department will proceed to seek approval from authorized personnel within the set budget limits. The main criteria for selecting construction material suppliers include price, quality as specified by the project owner, the ability to deliver the

exact quantity and within the set timeframe, and payment conditions. After selection, suppliers are registered in the SAP system. As of 31 December 2026, the company group has over 1,000 construction material suppliers listed, and during 2026, no single supplier accounted for more than 20.00% of the total value of construction material purchases, with almost all purchases made within Thailand.

After selecting suppliers, the procurement department will negotiate contract or purchase order terms to conclude the final agreement. The main construction materials include concrete, asphalt, steel, fuel oil, stone, soil, sand, and bricks. The negotiation of concrete, stone, soil, sand, and bricks prices will cover the entire project usage, whereas asphalt, steel, and fuel oil prices are as of the order date due to their global market price linkage. However, some volatility risks of construction material prices are mitigated by price adjustments (K factor) as specified in the contract.

Following supplier selection, the procurement department coordinates with the project manager for the delivery and quality inspection of construction materials. Once materials are received and inspected, the company group proceeds with payments under the agreed terms with the suppliers. As of 31 December 2026, the company group has been granted credit terms ranging from approximately 30 to 90 days.

(b) Machinery, Tools, and Equipment

The procurement process for machinery, tools, and construction equipment aligns with that of construction materials. However, additional considerations for machinery, tools, and equipment procurement include the type of purchase, which can be divided into three categories: (1) outright purchase for machinery, tools, and equipment deemed a worthwhile investment or have specific requirements, such as generators, water pumps, various types of cranes, and drilling machines; (2) hire purchase, for example, cars, excavators, rollers, tractors, and bulldozers; and (3) rental for machinery, tools, and equipment needed for specific construction tasks in a short duration. Most machinery and equipment purchases are made within Thailand, with foreign purchases primarily including hydraulic cylinders for sliding steel frames (Launchers) used for installing precast concrete segments.

The Company group's machinery, tools, and equipment are stored in four main centers (co-located with various machinery repair shops), namely Saraburi, Krabi, Trang, and Ayutthaya centers, responsible for storage and maintenance. When a construction project requires machinery, tools, and

equipment, the project manager requests their use through the SAP system, and the machinery department records the delivery in SAP. The machinery department also conducts a bi-annual inventory of all machinery, tools, and equipment and upon project closure.

3.1.3 Worker Sourcing

(a) Manpower for the Company group's Construction Projects

The management structure of each construction project includes project engineers, head engineers, foremen, workers, and office staff. The company group employs permanent staff paid monthly and temporary staff paid daily, primarily construction workers.

The number of workers for each construction project is managed by project engineers, aligned with the work volume and construction timeline. When projects require more or fewer workers, the project manager notifies the HR department to arrange for additional labor.

(b) Subcontractors

To manage construction project costs and risks, the company group hires subcontractors for certain parts of the construction work, involving both labor and material costs or labor-only contracts. Examples of subcontracted work scopes include pile drilling, building work, drainage systems, and electrical systems.

The procurement department, which compares prices and contract conditions from at least two subcontractors, handles subcontractor procurement. Approval is sought from authorized personnel within the budget limits. Key conditions for selecting subcontractors include price, past construction performance, financial standing, and payment terms. The procurement department registers subcontractors in the SAP system.

When hiring subcontractors, the administration considers the complexity of the engineering work, subcontractors' specialization, resource readiness including labor, tools, and machinery, financial readiness, and other risks (if any) to ensure completion within the construction plan's timeframe.

Major subcontractor contracts typically include payment conditions that allow payment to subcontractors once the company group has delivered work and received payment from the project owner, controlling the quality of construction materials and workmanship. However, for smaller subcontractors, typically labor-only contracts, the company

group conducts monthly work inspections. Subcontractors for high-value jobs must provide a performance bond of 5.00% to 10.00% of the contract price and a performance guarantee of 10.00% of each payment stage's value, which the company group returns after final delivery or at the end of the warranty period, as applicable. Contracts allow the company group to claim penalties for delays or incomplete work by subcontractors.

Quality control and work inspection for both the Company group's workers and subcontractors are conducted by foremen and engineers (respectively), with foremen reporting daily progress and issues to engineers, who then inspect the site and report monthly to project managers and executives at headquarters. After project completion, the company group evaluates subcontractors' performance for future hiring records.

3.1.4 Construction Material Manufacturing Plants

As of 31 December 2023, the company group owns construction material manufacturing plants located in four provinces: Saraburi, Krabi, Trang, and Phra Nakhon Si Ayutthaya. These plants are strategically placed near raw material sources and the Company group's main construction projects, summarizing as follows:

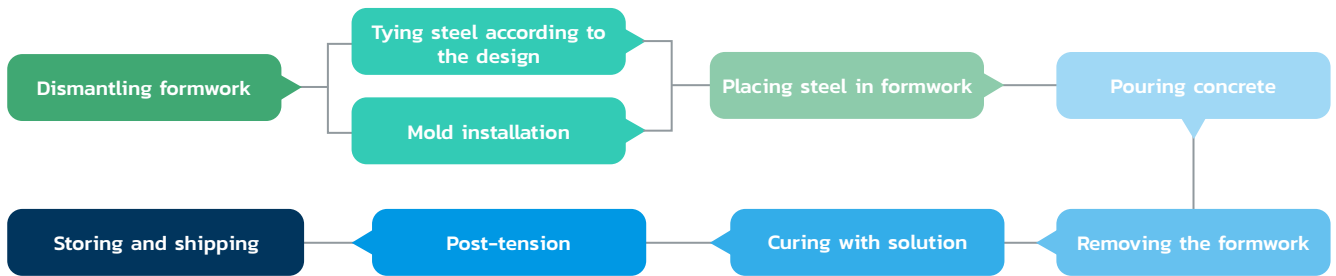
Factory	Owned by	Capacity per year ¹
Ready-mix concrete plant	CIVIL	45,000 sq.m
Asphaltic concrete plant	THE	162,000 ton
Prestressed concrete beams and corrugated steel guardrails plant	CCSP	15,000 pcs
Precast hollow concrete components plant	CCSP	Approximate. 3,600 pcs
Precast concrete guardrail panels	CCSP	Approximate 14,400 pcs
Asphaltic concrete plant	CCSP	162,000 ton
Asphaltic concrete plant	CIVIL	162,000 ton

The company has considered the appropriateness of the factory location and the size of machinery based on the opportunity to carry out construction operations in that area. This includes registering construction contractors with government agencies, which have requirements for contractors to own various types of factories, such as for road construction, where the Comptroller General's Department requires contractors to have an asphalt concrete mixing plant. Furthermore, the company group will consider increasing the production capacity of factories or building new construction material manufacturing plants when it is deemed that the area is a strategic point where the company group sees an opportunity to use construction materials for future company projects in a financially viable manner compared to purchasing materials from external sources.

(a) Main Raw Materials and the Process of Manufacturing Precast Concrete Components

The production of precast concrete components takes approximately 20 days from rebar assembly to the storage of the finished product. The main raw materials for producing precast concrete components include rebar, ready-mix concrete, asphalt concrete, and various chemicals. For each production batch, the company group orders raw materials to match the demand according to the production plan. Steel suppliers deliver rebar to the factory for shaping. Additionally, the company group procures ready-mix concrete from cement plants located within and around the factory area (as appropriate).

Furthermore, the process of manufacturing precast concrete components can be summarized as follows:



Segment

The company group has controlled the quality of the production of precast concrete components from the design phase, quality inspection of main raw materials such as weight acceptance of steel and properties of concrete, assembly of molds with project owner's inspection, concrete pouring inspection and during the concrete curing process as per the set checklist, storage of concrete components for inspection, and the use of lifting cables.

(b) Other Construction Materials Produced by the Company's Factories:

Products	Raw Materials	Production Time	Use for
Ready-mix concrete	Stone, sand, powdered cement and various chemicals	3 minutes per production cycle	Road pavement, Segment, Concrete Road barrier wall
Asphaltic concrete	Stone, stone dust and asphalt	2 minutes per production cycle	Road pavement
Dimpled iron car railing	Steel pipe, guardrail plate, nuts/ bolts	10-15 day per 1 set	Roadside crash barrier
Precast concrete guardrail plat	Steel bar and ready-mix concrete	24 hours	Concrete retaining wall



Ready-mix concrete



Asphaltic concrete



Dimpled iron car railing



Concrete retaining wall

(c) Industrial Standard Certification (TIS)

The company group has obtained industrial standard certification for products such as corrugated steel barriers for highways produced in the Saraburi factory, and reinforced concrete pipe railings for drainage produced in the Krabi factory, which allows these products to be used in the Company group's construction projects. Normally, the use of ready-mix concrete, asphalt concrete, and precast concrete guardrails does not have specific requirements related to the industrial standard certification (TIS).

(d) Environmental Management

The company group prioritizes the environment around its manufacturing plants, adhering to the operational conditions specified in each factory's operating permit and following the Department of Industrial Works' environmental regulations. Moreover, the company group has installed dust barriers and water spray systems around the manufacturing plants, planted trees to reduce the impact of dust particles, and established sludge pits for cleaning cement mixers after use and truck washing stations before leaving the plant premises. For managing dust emissions from the asphalt concrete plant, the company group has installed dust filter bags to capture dust before releasing smoke into the atmosphere. Additionally, the factories collect scrap metal for resale.

3.2 Construction Material Sales

3.2.1 Sale of Precast Concrete Components

Given the clear production plan for the use of precast concrete components in the construction projects of the Company group, whenever the precast concrete component factory has excess production capacity, the company group will proceed to contact potential customers who are expected to need such products and offer them a quote.

Once the contract terms have been agreed upon, the sales department will send detailed product quality information to the factory for production. The company group will gradually deliver the products, with the customers conducting the acceptance inspection along with the project owner's representatives. Upon product acceptance, it is considered that the company group has transferred ownership and risk to the customer, who will then be responsible for transporting the goods themselves. The payment terms include the customer placing a deposit for a portion of the product cost and paying the remaining amount once they receive payment from the project owner, typically within an average period of 30 to 90 days from the delivery date, which is a common practice in the industry.

3.2.2 Sale of Construction Materials

For each purchase of construction materials, subcontractor customers of the company group will submit a product purchase request, specifying the products and quantities required. The company group will then request quotes from suppliers to offer to such customers. Once the company group and the customer agree on the terms, the company group will schedule the delivery of the materials according to the customer's required location and timing.

Moreover, the ownership of the construction materials will be transferred to the customer upon acceptance of the goods. If the products are damaged after acceptance, the customer is entirely responsible. However, if the products are damaged during transportation, the suppliers and/or the transporters will be responsible for such damages. The company group offers a credit period of approximately 30 to 90 days to the subcontractors without requiring a deposit for the goods.

3.3 Ranking of Contractors by Government Agencies

The main customer group of the company group in the construction services business includes government agencies and state enterprises. In obtaining construction work from government agencies, the company group must register with the government agencies, which consider the company's past performance. The company group has been ranked as the highest contractor in highway works by several government agencies, which provides the company group with opportunities to participate in bidding for major projects. The company group has undertaken the process of applying for renewal of construction operator registrations with the Comptroller General's Department for some expired registrations to maintain eligibility for continuous work acceptance.

The details of the contractor ranking by the company group in government agencies are as follows:

The Company

Government Agencies	Work type	Classification
Comptroller General's Department	Road work and special bridge construction	Class 1 Special
Comptroller General's Department	Irrigation construction	Class 1 Special
Comptroller General's Department	Construction of embankments for riverbank and coastline protection	Class 1 Special
Department of Highways	Road maintenance and restoration work - Pavement In-Place Recycling Type	Category 6
Department of Highways	Road maintenance and restoration work - Hot Mixed Asphalt Type	Category 4
Department of Public Works and Town & Country Planning	Drainage work	Class 1 Special A
Department of Public Works and Town & Country Planning	Flood preventive system work	Class 1 Special A
Department of Public Works and Town & Country Planning	Wastewater treatment system work	Class 1 Special A

Government Agencies	Work type	Classification
Department of Public Works and Town & Country Planning	Building Construction work	Class 1 Special
Department of Public Works and Town & Country Planning	Landscaping work	Category 4
Department of Rural Roads	Road maintenance and restoration work - Pavement In-Place Recycling Type	Category 6
National Telecom PLC.	Conduit installation work	Class 1 ¹
National Telecom PLC.	Building Construction work	Class 1 ¹
National Telecom PLC.	Electrical system work	Class 1 ¹

CCSP

Government Agencies	Work type	Classification
Comptroller General's Department	Road work and special bridge construction	Class 1 Special
Comptroller General's Department	Irrigation construction	Class 1 Special
Department of Highways	Road maintenance Road surfacing work - Slurry Seal type	Category 2
Department of Highways	Road maintenance Road surface reinforcement work - Hot Mixed Asphalt type	Category 4
Department of Public Works and Town & Country Planning	Drainage work	Class 1 Special
Department of Public Works and Town & Country Planning	Flood preventive system work	Class 1 Special A
Department of Public Works and Town & Country Planning	Wastewater treatment system work	Category 3
Department of Public Works and Town & Country Planning	Building Construction work	Category 4
Department of Public Works and Town & Country Planning	Landscaping work	Category 4
Airports of Thailand PLC.	Civil construction work	Category 1
Metropolitan Waterworks Authority	Laying main pipes by trenching method work	Category 2
Metropolitan Waterworks Authority	Laying water distribution pipes and service pipes by trenching method work	Category 2
Metropolitan Waterworks Authority	Civil construction work	Category 2
Metropolitan Waterworks Authority	Construction work for a potable water production system	Category 2
Metropolitan Waterworks Authority	Pump stations and water storage tanks work	Category 2

THE

Government Agencies	Work Type	Classification
Comptroller General's Department	Road work	Class 2

CIVIL S.T.T.

Government Agencies	Work Type	Classification
Office of Small and Medium Enterprises Promotion		Medium and small enterprise operators

Note: 1 Registration application submitted, awaiting announcement

3.4 Regulations related to conducting business.

The company group's business is related to the primary laws as follows.

3.4.1 Construction Services

In conducting the construction services business with governmental agencies, the company group have to register as a contractor with the project-owning government agencies to have the right to submit bids for each agency's construction projects according to the type of construction work and the registered class. Currently, the company group is registered as a high-level contractor with several government agencies, such as the Department of Highways, the Department of Rural Roads, etc. Furthermore, it is registered as a construction operator with the Comptroller General's Department, enabling it to submit bids for construction projects with government agencies under the Act on Procurement and Supplies Management of the State, B.E. 2560 (including amendments).

Additionally, for the company group's horizontal construction business, it is required to have engineers with a professional engineering license, according to the Engineering Act, B.E. 2542 (including amendments), to oversee the construction operations. Engineers holding such licenses must comply with the regulations of the Engineering Council.

Some horizontal construction projects of the company group may require the use of certain types of explosives according to the Firearms, Ammunition, Explosives, Fireworks, and Equivalent of Firearms Act, B.E. 2490 (including amendments), or the Control of Weapons Act, B.E. 2530 (including amendments). Some projects may also involve operating fuel storage facilities or petrol stations, which are controlled businesses requiring notification or a controlled business operation license under the Fuel Oil Control Act, B.E. 2542 (including amendments). In such cases, the company group has arranged for the necessary permits from the relevant agencies as required for each project.

3.4.2 Construction material sales business

In the operation of a factory to produce precast concrete components, ready-mixed concrete, asphalt concrete, prestressed concrete, and corrugated steel barriers for vehicles, concrete drainage pipes are the main construction materials for the construction projects of the Company group. It is necessary to obtain a building construction permit and certification according to the Building Control Act, B.E. 2522 (including amendments) and a factory operation license according to the Factory Act, B.E. 2535 (including amendments).

Moreover, the factory operations of the Company group, which involve the accumulation and mixing of cement, stone, sand, or similar materials, must obtain a license for operations hazardous to health from the local administrative organization in each factory area, according to the Public Health Act, B.E. 2535 (including amendments). The Company group has all necessary licenses for its operations.

4. Asset used in business operations

4.1 Fixed Assets

As of December 31, 2023, the group company has fixed assets that used in business operations, divided into 6 categories as follows: (1) land, (2) buildings and building improvements, (3) equipment and machinery, (4) Furniture, fixtures, and office equipment, (5) motor vehicles, and (6) assets under construction and installation. The main fixed assets have a total net value according to the company's financial statements of 760.93 million baht, or equivalent to 9.93% of the total assets, as detailed below.

The fixed assets have a total net book value according to the company's consolidated financial statements of 760.93 million baht, or equivalent to 9.93% of the total assets, as detailed below.

Details of properties	Owned by	Net Book Value (Million Baht)
1. Land	CIVIL	7.58
2. Buildings and building improvements	CIVIL and subsidiaries	290.83
3. Equipment and machinery	CIVIL and subsidiaries	332.41
4. Furniture, fixtures, and office equipment	CIVIL and subsidiaries	4.59
5. Motor vehicles	CIVIL and subsidiaries	48.90
6. Asset under construction and installation	CIVIL and subsidiaries	76.62
Total		760.93

4.2 Intangible Asset

As of December 31, 2023, the group company has intangible assets, namely computer software and royal land grants, with a total net book value according to the company's consolidated financial statements of 12.85 million baht, or equivalent to 0.16% of the total assets.

Details of properties	Owned by	Net Book Value (Million Baht)
1. Computer Software	CIVIL and subsidiaries	4.20
2. Concession	CIVIL and subsidiaries	6.35
3. Intangible assets under development	CIVIL and subsidiaries	2.30
Total		12.85

4.3 Investment properties

As of December 31, 2023, the group company has investment properties, namely office buildings for rent, with a total net book value according to the company's consolidated financial statements of 121.56 million baht, or equivalent to 1.59% of the total assets.

Details of properties	Owned by	Net Book Value (Million Baht)
Office buildings for rent	CIVIL and subsidiaries	121.56
Total		121.56

5. Backlog

The company group has backlog as of December 31, 2023. Example key current projects as follows:

Project	Owner	Contract Period	Project Value (Million Baht)	Project Progress (%)
1. Double-Track railway Bangsaphannoi-Chumphon	STTP JV	Feb 2018 - Dec 2023	1,841.15	99.67
2. High-speed railway Saraburi-Nongkhai (Phase 4-7)	State Railway of Thailand	Feb 2021 - Feb 2025	8,446.50	58.00
3. Expressway Rama III – Daakanong – Outer ring road	Expressway Authority of Thailand	Jan 2022 - Oct 2024	1,959.93	26.63
4. Expressway Route 82 Bang Khun Thian – Ban Phaeo (Section 8)	Department of Highways	Feb 2022 – Jan 2025	1,785.05	49.64
5. Highway No.304 Pakkret – Government Complex	Department of Highways	Oct 2019 – Mar 2025	1,203.85	45.62
6. Water-distribution canal, Bang Ban – Bang Sai, Phra Nakhon Si Ayutthaya Province	Royal Irrigation Department	May 2023 - Oct 2026	3,459.31	12.14
7. Hua Hin Airport	Department of Airports	Sep 2020 – May 2024 ¹	242.62	98.41
8. Lampang Airport	Department of Airports	Jan 2021 – May 2024 ¹	224.68	99.68
9. Others			5,860.72	
Total			25,023.81	

Note ¹The project has reserved the right to impose a penalty rate of 0% due to the impact of the Coronavirus Disease 2019 (Covid-19) pandemic.

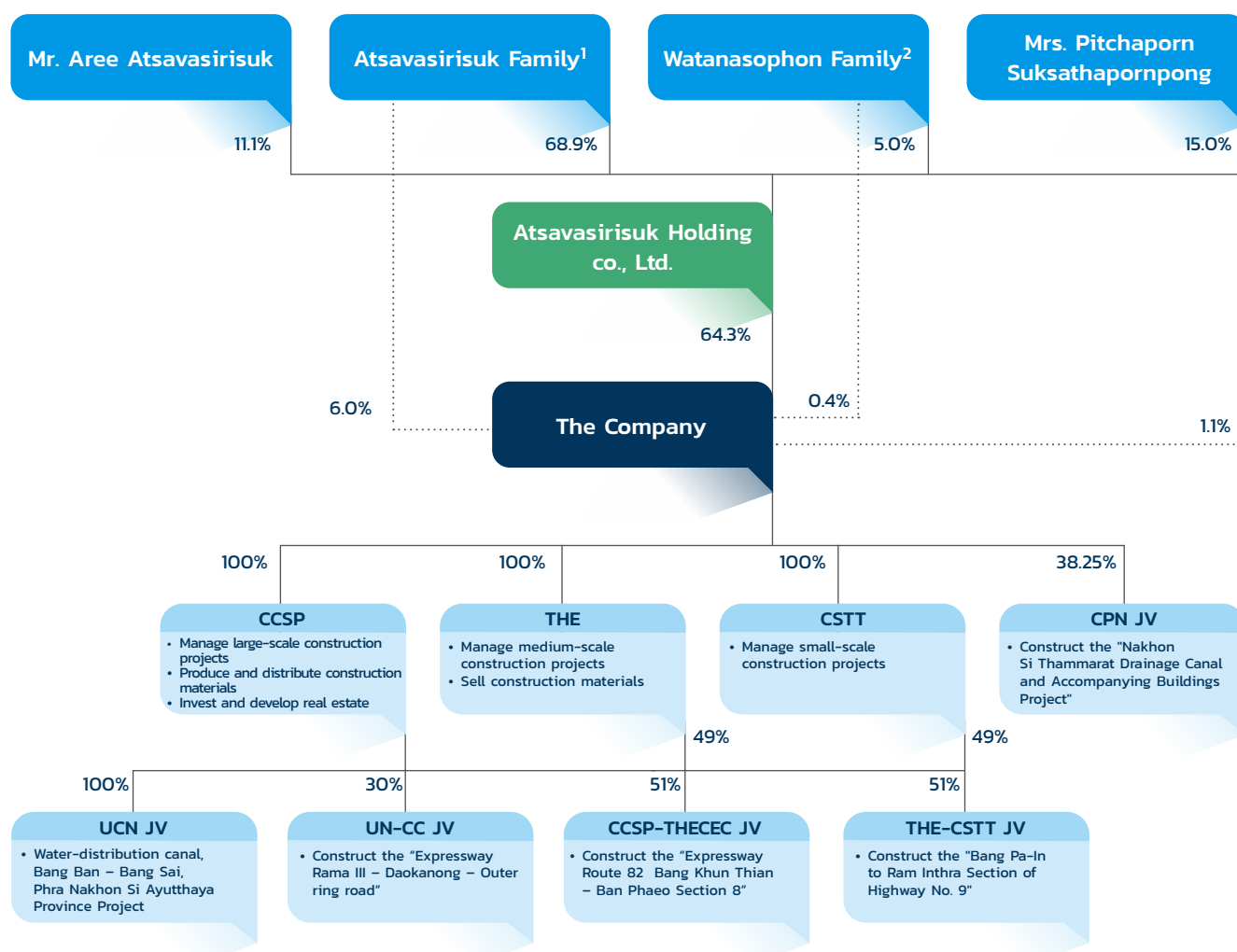
1.3 Shareholding Structure of the Company group

1.3.1 Shareholding Structure of the Company group¹

The company and its subsidiaries (the Company group) began their construction services business by registering and establishing Civil Engineering Co., Ltd. (later renamed to Civil Construction Services & Products Co., Ltd.) ('CCSP'), founded by Mr. Aree Atsavasirisuk on July 27, 1966. To accommodate the growth of the Company group, Boonchai Panich (1979) Co., Ltd. was established on October 16, 1979 (later renamed to Civil Engineering Public Co., Ltd.), to undertake larger construction projects. Additionally, The C.E.C. Construction Co., Ltd. ('THE') was founded on April 22, 1993, to handle small to medium-sized construction projects. The Company group has extensive experience in undertaking various large-scale construction projects such as road work and expressway construction, railway

construction, airport construction work, and dam and reservoir construction. The Company group is fully equipped in terms of personnel, tools and equipment, infrastructure systems, and source of funds to support future growth in line with the company's strategy.

In addition, the Company group also sells construction materials. Recognizing the need for cost management and the demand for precast concrete components (Segment), CCSP established a precast concrete component (Segment) factory in July 2017 to be used in the group's construction projects and sold to external parties. Furthermore, in 2022, the company established a subsidiary, CSTT, to manage small construction projects.



Note: ¹ The Atsavasirisuk family consists of Mrs. Naowarat Wattanaworalak, Mr. Piyadit Atsavasirisuk, Mr. Piyanat Atsavasirisuk, Mrs. Aradee Pravatrungrong, and Miss Punyapat Atsavasirisuk

² The Watanasophon family consists of Mrs. Kamolpatch Nakapirom, Miss Buddhanat Watanasophon, and Miss Chantira Watanasophon

In addition, the Atsavasirisuk family, the Watanasophon family, and Mrs. Pitchaporn Suksathapornpong are related as siblings. Moreover, Mr. Aree Atsavasirisuk passed away in February 2021.

As of December 31, 2023, the company has 3 subsidiaries and 5 joint ventures, with the following business operations details:

No.	Company Name	Business Purpose	Country	Paid-up registered capital ¹ (Million Baht)
1	CIVIL	Construction Services and Sale of Construction Materials	Thailand	700.00
2	CCSP	Construction Services, Sale of Construction Materials and Real Estate Rental	Thailand	500.00
3	THE	Construction Services and Sale of Construction Materials	Thailand	200.00
4	CSTT	Construction Services for small-sized project	Thailand	1.00
5	CPN JV ²	Construction of drainage canals and associated buildings in Nakhon Si Thammarat Province	Thailand	-
6	UN-CC JV ³	Expressway Rama III – Daokanog-Outer ring road	Thailand	-
7	CCSP-THECEC JV ⁴	Expressway Route 82 Bang Khun Thian-Ban Phaeo (Section 8)	Thailand	-
8	THE-CSTT JV ⁵	Highway No. 9, Bang Pa-in to Ram Inthra Section Construction Project	Thailand	-
9	UCN JV ⁶	Drainage canal with building contract no.6, Bang Ban- Bang Sai, Phra Nakhon Si Ayutthaya province	Thailand	-

Note: 1 Data as of December 31, 2023

2 CIVIL, Thada Creator Co., Ltd., and Napakorn Construction Co., Ltd., hold stakes in the joint venture CPN of 38.25%, 32.75%, and 29.00%, respectively.

3 CCSP and UNIQ hold stakes in the joint venture UN-CC of 30.00% and 70.00%, respectively.

4 CCSP and THE hold stakes in the joint venture CCSP-THE CEC of 51.00% and 49.00%, respectively.

5 THE and CSTT hold stakes in the joint venture THE-CSTT of 51.00% and 49.00%, respectively.

6 CCSP held a 32.00% stake in the joint venture UCN, and later on September 18, 2023, CCSP acquired the remaining stake, resulting in a 100.00% ownership in the joint venture.

The company group has established a total of 4 companies within the group to operate in construction services, to help reduce and distribute the risks in conducting construction services operations. If any one company encounters problems in bidding for projects, there are other companies within the group ready to enter the bidding and carry out construction on projects for which that company is qualified according to rankings by government agencies (please see more details in 3. Procurement of Products or Services, item 3.3 Contractor Ranking by Government Agencies).

Company and legal entity information in which the company holds shares of 10% or more.

1. CIVIL

Name of the company issuing share (Thai)	: บริษัท ซีวิลเอนจิเนียริง จำกัด (มหาชน)
Name of the company issuing share (English)	: Civil Engineering Public Company Limited
Nature of Business	: Construction Services and Sale of Construction Materials
Head Office Address	: 68/12 CEC Building, 7 th Floor, Kampaengpet 6 Road, Ladyao, Jatujak, Bangkok, 10900
Company Tax Identification No.	: 0107563000169
Telephone	: 02-589-8888-9
Facsimile	: 02-589-8886-7
Website / Company's homepage	: http://www.civilengineering.co.th/
Share capital registered as of December 31, 2023	: 700,000,000 Baht
Paid-up share capital as of December 31, 2023	: 700,000,000 Baht
Par value per share	: 1 Baht.

2. CCSP

Name of the company issuing share (Thai)	: บริษัท ซีวิล คอนสตรัคชั่น เซอร์วิส แอนด์ โปรดักส์ จำกัด
Name of the company issuing share (English)	: Civil Construction Services & Products Company Limited
Nature of Business	: Construction Services and Sale of Construction Materials
Head Office Address	: 68/12 CEC Building, 7 th Floor, Kampaengpet 6 Road, Ladyao, Jatujak, Bangkok, 10900
Company Tax Identification No.	: 0105509002602
Telephone	: 02-589-8888-9
Facsimile	: 02-589-8886-7
Share capital registered as of December 31, 2023	: 500,000,000 Baht
Paid-up share capital as of December 31, 2023	: 500,000,000 Baht
Par value per share	: 10,000 Baht.

3. THE

Name of the company issuing share (Thai)	: บริษัท เดอะ ซี.อี.ซี. คอนสตรัคชั่น จำกัด
Name of the company issuing share (English)	: The C.E.C. Construction Company Limited
Nature of Business	: Construction Services and Sale of Construction Materials
Head Office Address	: 68/12 CEC Building, 7 th Floor, Kampaengpet 6 Road, Ladyao, Jatujak, Bangkok, 10900
Company Tax Identification No.	: 0105536047409
Telephone	: 02-589-8888-9
Facsimile	: 02-589-8886-7
Share capital registered as of December 31, 2023	: 200,000,000 Baht
Paid-up share capital as of December 31, 2023	: 200,000,000 Baht
Par value per share	: 100 Baht.

4. CSTT

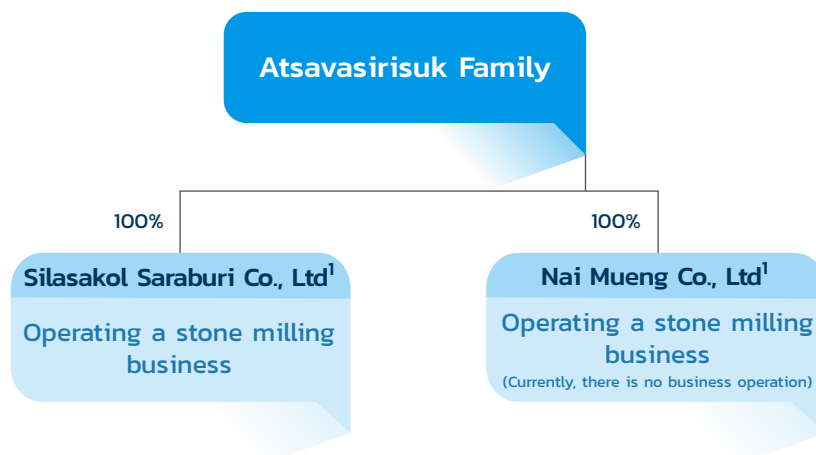
Name of the company issuing share (Thai)	: บริษัท ซีวิล เอส.ที.ที. จำกัด
Name of the company issuing share (English)	: Civil S.T.T. Construction Company Limited
Nature of Business	: Construction Services and Sale of Construction Materials
Head Office Address	: 68/12 CEC Building, 7th Floor, Kampaengpet 6 Road, Ladyao, Jatujak, Bangkok, 10900
Company Tax Identification No.	: 0105536047409
Telephone	: 02-589-8888-9
Facsimile	: 02-589-8886-7
Share capital registered as of December 31, 2023	: 1,000,000 Baht
Paid-up share capital as of December 31, 2023	: 1,000,000 Baht
Par value per share	: 100 Baht.

1.3.2 Any individual who may hold shares in subsidiary companies or joint venture companies more than 10% of the total voting shares of such companies, shall provide a detailed explanation of the reasons.

-N/A-

1.3.3 Relationship with the major shareholder's business group

The Atsavasirisuk family, which is a major shareholder of the company, holds shares in other companies engaged in the quarrying business, namely Silasakol Saraburi Co., Ltd and Nai Mueng Co., Ltd (currently not conducting business), with the shareholding structure as follows:



The Group of companies has engaged in transactions among themselves that are not significant and are expected to continue with the major shareholder's group in 2022 and 2023. Such transactions include land rental, consulting services, and so forth. However, these transactions occur as necessary and beneficial to the company's operations, conducted at fair market prices and in the ordinary course of business (fair and at arm's length basis). Additionally, the Group has entered into contractual agreements in the mining industry following the issuance of licenses to operate the mining business. After the commencement of operations at Silasakol Saraburi Co., Ltd, the Group is also inclined to engage in further transactions with Silasakol Saraburi Co., Ltd, such as limestone quarry management contract. These products serve as construction materials for the Group's construction activities. In conducting these transactions, the Group sets criteria and guidelines based on general trading practices, referencing appropriate and fair prices and conditions, which are reasonable and justifiable. These criteria and guidelines have been reviewed and approved by the Audit Committee and the Board of Directors. (Please refer to item 14 for transaction details).

1.4 Share Capital Registered and Paid-up Amount

1.4.1 Share Capital Registered and Paid-up Amount

Please refer to item 1.3.1 Shareholding Structure of the Company group

1.5 Issuance of Other Securities

N/A

1.6 Dividend Payment Policy

The dividend payment policy of the company

The dividend payment policy of the company enables the board of directors to consider the distribution of annual dividends, subject to the approval of the shareholders' meeting, except for interim dividends which the board has the authority to approve on an occasional basis, provided the company has sufficient profits to do so. Such interim dividends must be reported to the shareholders at the subsequent meeting.

The company has a policy to distribute dividends to shareholders at a minimum of 40.00% of the net profit after corporate income tax and after deduction of all types of reserves mandated by law and the company's regulations in each year. In determining the distribution of dividends, the board of directors will consider various factors primarily for the benefit of the shareholders, such as economic conditions, operating results, financial status of the company, cash flow, reserves for future investments, reserves for debt repayment, or as working capital within the company. Conditions and limitations as specified in the loan agreements and the payment of dividends should not significantly affect the normal operations of the company, as deemed appropriate or suitable by the board.

In 2022 and 2023, the company had the following dividend payment details.

Year 2023

Type of Dividend Payment	Dividend Payment Date	Dividend Amount (Baht/Share)
Dividend for the Year 2023	24 May 2023	0.02
Total		0.02

Year 2022

Type of Dividend Payment	Dividend Payment Date	Dividend Amount (Baht/Share)
Dividend for the Year 2022	20 May 2022	0.02
Total		0.02

2. Risk Management

2.1 Risk Management Policy and process

Civil Engineering Public Company Limited realizes the paramount of effective Risk Management in the pursuit of favorable outcomes under set goals. In 2023, given the highly susceptible wholesale and retail businesses face various challenges, including inflation, the Russia-Ukraine war has had direct and indirect impacts on material prices, intensifying competition in both labor force and safety management. Additionally, the ongoing pandemic situation remains a significant concern. Despite these challenges, our company continues to remain vigilant and prioritize preventive measures against potential new waves of infection.

The company places paramount importance on continuous learning and adaptation to ensure that its business operations align with the organization's goals and objectives. This commitment aims to meet the ever-evolving needs of customers and foster sustainable growth, amid the constantly changing landscape of situations and emerging risks. The company employs a comprehensive risk management process that addresses both the impact and opportunities, overseen by the Audit and Risk Management Committee that jointly determine Risk Management Policy and develop a Risk Management Framework under international standards. Potential risk factors that may impact Company Strategy are identified, analyzed, flagged according to risk level, monitored, and applied in the decision-making process to determine the appropriate Corporate Risk Management Plan along with authorized personnel responsible for managing the risks according to the plan and controlling the impact to an acceptable level.

Additionally, to enhance the effectiveness of risk management processes in other crucial sectors of the company, the Audit and Risk Management is supported by risk management working groups. These working groups perform their duties and report directly to the company's Audit and Risk Management Committee.

Risk Management Standard

The Company has adopted the COSO (Committee of Sponsoring Organizations of Treadway Commission) international standard for cross-organization risk management, setting Company policies, objectives, risk management frameworks, and risk management structure accordingly, and prepare announced its intention to fight as an active member of the Thai Private Sector Collective Action Against Corruption

Risk Management Tools

To optimize risk management undertakings, a Company risk map, mitigation plan, and key risk indicators (KRIs) are applied as risk management tools to analyze and assess unfolding and emerging risk factors with the potential to affect corporate goals, operationally or investment-wise, to proactively determine the associated impact levels and the required risk-management measures for Company-wide risk management readiness in the business year ahead.

In the year 2023, the company implemented a Risk Management System organization-wide to enhance the efficiency and effectiveness of the risk management process. The Risk Management Department is responsible for the execution of this system and provides support, including conducting training sessions to enhance the knowledge and understanding of risk management among the management team through Refresh Training. Additionally, the department conducts training sessions on the usage of the Risk Management System (System Training)

The company recognizes the importance of the risk management process and supports open communication channels for consultation. Employees are encouraged to provide suggestions or highlight critical risks directly to the Risk Management Department or through a centralized channel via email at company_secretary@civilengineering.co.th

2.2 Risk Factors

The Company analyzes the business environment from internal and external perspectives, including important domestic and overseas developments alongside trends in the economy, the social-political-technological domain, the competitive landscape, and competitors, as well as the environment and ecosystems to which it relies upon, among others, while taking into account the comparable business risk factors from a third-party expert perspective. Furthermore, consideration is given to the risks that may impact the achievement of the company's goals and strategies that are analyzed to determine critical organizational risk factors that had to be managed and monitored properly. The risk factors are as follows:

1) Strategic Risks

1.1) Risk of Strategy Implementation

Business Impact

Driving the specified strategy to achieve long-term goals is crucial for the company, influenced by various factors. Internally, these factors include changes in the business environment, market uncertainties, technological advancements, resource inadequacies, workforce readiness, and external factors such as changes in laws and regulations, shifts in government policies, and fluctuations in economic and political situations. These factors may impact the execution of the company's strategy, presenting both opportunities and risks. Furthermore, the rapid growth of the company according to the outlined strategy may introduce internal risks in aligning operations with the defined strategy.

Mitigation Plan

A Strategic Execution Risk Workshop is thus organized to elucidate the short-term and long-term strategies, as well as operational guidelines. This workshop was conducted for the executives to communicate and foster a shared understanding of the company's strategies. Additionally, it involved identifying and assessing risks associated with implementing the strategies, along with outlining preventive measures. The workshop also emphasized regular monitoring and evaluation of the outcomes resulting from the risk prevention measures.

In pursuit of Company visions and growth goals, a new business model that is responsive to changes in customer behavior and needs is in place to identify and drive home key projects that administer Company strategies and goals in both the short- and long-term, each interrelated in responding to fluctuating pressures and changes in the industry, marketplace, and overall customer sentiments and demands through a systematic process that closely monitors implementation effectiveness, ensuring that each project achieves the planned results and delivers the targeted returns to the Company on time.

1.2) Risks of Strategic Management

Business Impact

In line with the strategic project development to support the company's goals, the company has been driven to undergo a digital transformation. This encompasses transforming the business model, work processes, employee skills, and organizational culture to keep pace with competitors and build business resilience. The company has also initiated several digital transformation projects.

Mitigation Plan

Impactful organizational requirements for change, digital transformation is thus identified as a risk that affects its strategy and operating model in various areas, be they corporate plans and budget, implementation, work process and professional development, or project management, among other areas.

The executive and management team of the Company jointly prioritize and define strategic projects going forward along with plans to manage implementation, monitor progress and completion, and assess performance. The task force is responsible for ensuring organizational digital readiness with, on one hand, a digital infrastructure to underpin key digital-operational capacities, be it an enterprise system, AI, big data, or paperless workflows.

1.3) Risk of Investments Business

Business Impact

Expanding the business into the private sector is one of the company's growth strategies. However, such investments may entail uncertainties during implementation and management due to various complex factors such as laws and regulations, trade agreement conditions, etc. The risks associated with transitioning from the core business of government construction may affect the organization in terms of finances, operations, reputation, and compliance with contracts and terms.

Mitigation Plan

The company therefore assigns responsibility to each business unit to assess risks and impacts, as well as to establish risk management measures to mitigate impacts, and regularly review the measures established. Additionally, the company closely monitors the company's performance to ensure that operations are in line with the set objectives.

Efficient business management according to the established plans is considered a crucial factor in achieving the goals outlined in the strategic plan. Therefore, the company may consider hiring managers and personnel with knowledge, skills, and experience in various areas, including appointing senior executives to work efficiently.

.

2) Operational Risks

2.1) Risk of Organizational Readiness

Business Impact

Human Resources being any organization's most valuable asset, another factor obstructing corporate goals and strategy is the readiness of human resources to cope with changes or various situations is crucial, as it can impact the organization's ability to operate smoothly, including a shortage

of key experience, knowledge, and talent, or, the insufficiency thereof thus the organizational structure to drive implementation with strategy.

Mitigation Plan

The company has developed a training plan and conducted various training programs for all employees and managers. Tailored courses are designed for personnel at each level to ensure they have sufficient knowledge and skills to execute the company's strategic plan. The company places importance on managing succession for key positions, identifying critical roles to ensure suitable successors, and considering capable employees for succession management based on skills, knowledge, experience, and job-fit characteristics. This approach allows employees to clearly see their career advancement path (Career Path) and involves planning for the development of succession candidates through training and capability management to enhance necessary skills systematically.

Furthermore, the company to manage various risks related to human resources and development, including defining working processes and organizational culture conducive to supporting the company's business success.

2.2) Risk of Cyber-Security

Business Impact

While the IT infrastructure underpins any organization's operational and business capacity, linking information and communication throughout the organization, cyber-attacks and threats are increasing in severity and form, and are evolving rapidly with emerging new technologies. The Company is well aware that such threats bear significant impact potential on its business operations and credibility and has thus flagged cyber security as a key risk.

Mitigation Plan

The company has assigns Information Technology Department expertise and primary duties to plan and oversee cyber threat surveillance to detect vulnerabilities in IT systems with a range of software and hardware capacities, be it artificial intelligence and machine learning tools that automatically respond to cyber also conducted to foster a corporate culture of digital-cybersecurity-oriented professionals and raise awareness, thus, overall organizational human resource readiness.

3) Reputational Risk

3.1) Risk of Corporate Reputation

Business Impact

Negative and inaccurate information about the Company weighs a heavy impact on its hard-earned reputation and

credibility, be they opinions and comments on provided products or services, involved personnel, or the organization itself, all of which can be exaggerated, exacerbated, and go viral on social media online channels to damage related parties with far-reaching implications.

Mitigation Plan

A team and countermeasures are thus put in place to promptly handle such incidents and mitigate the likelihood and impact potential of negative circulation. The team to monitor social media events that may pose such a threat to the organization where incidents are reported directly to the appropriate chain of command that determines corrective and preventive measures accordingly, with a clearly defined reporting timeline for incident response and incident resolution, prevent the cause of the problem from repeating, and seize the opportunity to show customers that they are the priority and the Company is open and willing to accept, make amend, improve, and prevent the problem from happening again. A communication system is in place to handle both normal situations and crises, where drills are rehearsed to practice prompt crisis handling and the crisis countermeasures are reviewed regularly to ensure practical responses.

4) Compliance Risks

4.1) Risk of Ethic and Legal Compliance

Business Impact

The Company adheres to business ethics and the good corporate governance principles of honesty, transparency, and fair business operations under the legal requirements, complying with both internal and government policy. Non- or partial compliance, however, be it legal provisions, regulations, or policies, can bear significant consequences or damages, or both, on the Company's reputation, delay operations, and result in penalties, fines, or loss of business opportunities.

Mitigation Plan

As legal provisions and requirements change regularly and apply to relevant internal departments differently as they do, the Company's legal department is also responsible for keeping abreast of the latest legal developments and governmental announcements with potential impact on business operations, as well as notifying and providing necessary compliance training to relevant executives and internal departments for acknowledgment. It takes part in adapting work processes that may be affected by changes in legal requirements to ensure accurate and complete compliance and developing a compliance monitoring system, be it compliance reports, contract preparations, renewals, or licenses related to Company operations.

A Whistleblowing Channel is provided on the Company's website to receive complaints and clues of alleged wrongdoings or misconduct, namely corruption, investigate the case while maintaining whistleblower confidentiality and offer appropriate witness protection where necessary.

4.2) Risk of Personal Data Protection Act (PDPA)

Business Impact

Due to the effective of Personal Data Protection Act B.E. 2562 (PDPA) in the year 2022, the company has considered the impact of this law on the personal data. The data includes information about customers, employees, manufacturers, and suppliers. This may have a significant impact on the company's reputation and potential financial losses.

Mitigation Plan

The Company has appointed the PDPA committee to optimize existing computer systems and related work procedures, and formulate policies related to the protection of personal data alongside outsourced third-party experts. The committee supervises work processes, receives reports, and considers relevant matters to ensure accurate and complete compliance with legal requirements.

The company has provided training on the relevant laws to executives and relevant staff members to ensure awareness of its implications and potential changes in operations. Additionally, regular newsletters have been issued by the PDPA Office to communicate important information and updates to all employees throughout the organization.

The company also implements security measures to prevent unauthorized parties from access to personal information. The Data Protection Officer (DPO) is appointed with responsibilities to supervise the collection, usage, and disclosure of personal data, as well as conduct annual risk assessments, summarize the results, and report to the Risk management steering committee. The officer is also responsible for advising the committee and communicating with the entire organization on best practices and relevant disciplinary action, along with remedial measures for those affected.

To ensure compliance with legal requirements, the company has announced policies and relevant guidelines, such as the Personal Data Protection Policy. This includes details on data usage, the process for requesting personal data rights, and channels for notifying consent changes on the company's website.

5) ESG Risks

5.1) Risk of Climate Resilience

Business Impact

The Company is aware of the increasingly severe global climate and natural disasters, be they droughts, flash floods, or thunderstorms, which may significantly impact its construction activities.

In the year 2566, water stress from climate change has had significant and increasingly severe impacts, particularly on the sufficiency of water for various needs and the quality of water in the region where the company operates.

Mitigation Plan

The company has thus developed a Business Continuity Plan (BCP) to manage its operations continuously under crisis conditions, particularly focusing on reducing the impacts of natural disasters, especially the risk of floods, and implementing emergency measures in various scenarios, such as utilizing electricity from multiple sources, including self-generated solar energy, to support uninterrupted construction operations in case of emergencies.

Furthermore, the company has formulated strategies to address climate change by reducing direct and indirect greenhouse gas emissions through the use of renewable energy and maximizing energy efficiency within the company. This includes promoting tree planting within the company's premises to sequester carbon dioxide naturally. Additionally, there is an emphasis on raising environmental awareness and conservation among all employees and stakeholders.

The company has improved energy efficiency by replacing light bulbs with high-efficiency ones, reducing electricity consumption in large office buildings, resulting in reduced energy usage intensity and greenhouse gas emissions.

Moreover, switching water dispensers to automatic systems to alleviate water stress, the company has reduced water usage by 5% in the year 2566 and aims to further reduce usage by 20% by 2573. This includes reviewing and preparing management and mitigation plans to address water crisis situations.

5.2) Risk of Human Right

Business Impact

Recognizing diversity and respecting the rights of others are essential for any community. Whenever inappropriately communicated and managed can cause the business' operational risk. The company respects human rights and labor practices in all operations, promoting equality, non-discriminatory and workplace occupational health & safety.

This includes preventing human rights violations and protecting the person from discrimination and harassment.

Mitigation Plan

The company respects human rights and labor practices, such as the Universal Declaration of Human Rights (UDHR), the UN Global Compact, the UN System Code of Conduct, the UN Guiding Principles on Business and Human Rights (UNGPs), and the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization (ILO), including regulation in all countries where business is operated. The company regularly reviews human rights due diligence and communicates the human rights policies and labor practices to stakeholders.

The company announced the Human Rights Due Diligence committee's roles and responsibilities to ensure the salient issues are identified, and the causes of risk, mitigation, and preventive action are systematically and in place. The management assigned Human Rights Due Diligence (HRDD) committee to review the policy compliance to the global standard and drive the result performance in human rights, labor practice, occupational health and safety to be effective within the organization, and among the supply chain.

6) Emerging Risks

To prepare measures and management guidelines for effective and prompt proper response and management, developments and trends with potential impact on business operations are analyzed and reviewed alongside changes that may become problematic or risky on a yearly basis. The following risks emerged in 2023 with the potential to affect business as usual:

6.1) Risk of Disruptive Digital and AI Technology

Business Impact

Digital technology and Artificial Intelligence (AI) are rapidly transforming the world and playing a significant role in daily life. Business models, market competition, and consumer preferences have all undergone notable changes, especially in an era driven by "innovation." Examples include the integration of digital technology in construction. This includes the utilization of digital technology in construction, making data analysis more efficient and effective.

In the long term, these changes pose risks that could impact traditional construction business models if companies fail to keep up with such technologies. Failure to adapt may result in loss of competitiveness and missed opportunities for new business ventures that could add value to the organization. Additionally, the growth and advancement of

technology also entail risks in terms of a shortage of Digital Talent, potentially leading to changes in work patterns and necessary skills for employees, requiring businesses to adapt and restructure their organizations.

Mitigation Plan

The company believes that businesses that proactively adapt to the changes brought about by digital technology and AI will be able to grow and compete sustainably. Therefore, the company regularly reviews its organizational strategies to accommodate business growth and develops readiness strategies for digital and AI transformation in terms of planning, plan implementation tracking, system development, technology, and personnel.

The company has prepared to address these changes seriously by starting with an assessment of the potential impacts on its business. Subsequently, appropriate coping strategies are developed based on the context of the business. This includes investing in developing digital and AI skills for employees to effectively collaborate with these technologies, as well as adjusting work processes to align with digital technology and AI to increase efficiency and reduce construction costs.

6.2) Risk of a Pandemic New Normal

Business Impact

Since the onset of the COVID-19 pandemic, it is believed that there may be ongoing outbreaks of new variants of the virus, with expectations of many more viruses that could evolve into different diseases. External factors beyond the control of the company, such as changes in weather conditions like rising temperatures, can promote the rapid growth and spread of diseases. The potential for contagious disease outbreaks of this nature to occur in the future could disrupt business operations.

Mitigation Plan

To mitigate the risk in this regard, the company regularly reviews and enhances its pandemic preparedness plans to accommodate the increasing likelihood of major outbreaks and the possibility of ongoing mutation into new variants in the future. Changes are implemented to ensure safe construction operations.

The company also stays updated on news related to disease outbreaks and communicates widely within the organization when there is a significant outbreak of contagious diseases, ensuring that everyone is aware of preventive measures that must be strictly followed to prevent any potential impact on employees.

3. Driving Business Towards Sustainability

3.1 Information of the Company

Civil Engineering and Construction Public Company Limited ("CIVIL") has prepared sustainability reporting as part of its disclosure in accordance with the 1-56 One Report format for the fiscal year 2566, by providing factual information that aligns with the business context of the company. The purpose is to serve as one channel of communication to convey the commitment to sustainable business operations to the public, through the dissemination of policies and management guidelines that are important for the company's operations and stakeholders. This encompasses the economic, social, and environmental dimensions, as well as good corporate governance practices.

CIVIL began its construction services business by registering Civil Engineering and Construction Public Company Limited (later renamed to Civil Construction Service and Projects Limited) ("CCSP") on July 1966 ,27, founded by Mr. Aree Atsavasirisuk. To accommodate the growth of the company group, Boonchai panich (1979) Company Limited was established on October 1979 ,16, which later changed its name to Civil Engineering and Construction Public Company Limited, registered as a public limited company on June 2020 ,29. The company group has extensive experience in undertaking large-scale construction projects of various types, including roads and expressways, railway projects, airport projects, and dam and reservoir projects, among others. The group is readiness in terms of personnel, tools and equipment, various infrastructure systems, and sources of funding to support the company's growth strategy in the future.

Listed in stock exchange : January 27, 2022
of Thailand date

Authorized Capital	: Baht 700,000,000
Paid-up Capital	: Baht 700,000,000
Head Office	: 68/12 CEC Building 7 th Floor, Kampaengpet 6 rd. Ladyao, Jatujak Bangkok 10900
Telephone	: 0-2589-8888-9
FAX	: 0-2589-8886-7
Website	: http://www.civilengineering.co.th

Nature of Business:

The company is dedicated to driving sustainable construction business operations throughout the value chain by developing the operational capabilities of the organization in a balanced manner across all dimensions, including economic, social, environmental, and governance. The

company aims to become a leading construction company capable of meeting the demands for large-scale infrastructure project management from both public and private sectors, delivering valuable, safe, and quality work that enhances people's quality of life and contributes to the advancement of the Thai society, while taking responsibility for society and the environment.

Business Operations :

Civil Engineering and Construction Public Company Limited (CIVIL) and its subsidiaries engage in construction services business operations. This is conducted through Civil Construction Service and Projects Limited (CCSP), The C.E.C. Construction Limited (THE), and Civil STT Limited (CSTT). The subsidiaries have expanded their business into construction material sales, including precast concrete components, and various construction equipment rentals, primarily office building rentals and unused construction machinery and equipment rentals. The company's strategic plan focuses on conducting construction-related businesses using environmentally friendly and modern technologies.

Vision

"Holistic Construction Solutions & Products Provider to Civilize a Better Way of Life for all"

Mission

1. We are here to build great things.
2. Challenge the status-quo with innovative effort & technology.
3. Pass on better world for next generation.

Strategy and Growth:

The company has established a strategic framework for sustainable development and management covering all three dimensions of the economy, society, and environment in the year 2565. In this regard, the company has set targets to develop towards sustainable strategies by the year 2573, with defined objectives and plans spanning a -7year implementation period from 2566 to 2573. The company has integrated its sustainable development goals with the United Nations Sustainable Development Goals (SDGs), supporting all 17 SDGs that align with the company's potential for positive change in the economic, social, and environmental dimensions, as well as its commitment to corporate governance.

Vision

Holistic Construction Solutions & Products Provider to Civilize a Better

Way of Life for all

Our Mission /Aspiration

(1) here to build great things! (2) Challenge the status-quo with innovative tech & effort & (3) Pass on better world for next-generation

Strengthening the Core



Project
Execution
EXcellence

Indicator :



Sustainability

Indicator :



People & Org
Excellence

Indicator :



New Business/
Innovation

Indicator :

SDGs

Supporting Sustainable Development Goals of the Company



3 GOOD HEALTH
AND WELL-BEING

Promoting the quality of life and well-being of people by integrating new modern technologies to enhance operational capabilities for delivering large-scale infrastructure projects in the country with quality and safety.



7 AFFORDABLE AND
CLEAN ENERGY

Improving energy efficiency in the company's business processes and supporting sustainable energy management throughout the business value chain.



10 REDUCED
INEQUALITIES

Respecting human rights and promoting equal treatment without discrimination based on age, gender, physical disability, race, ethnicity, nationality, religion, economic status, or any other factor.



11 SUSTAINABLE CITIES
AND COMMUNITIES

Enhancing sustainability for cities and communities by developing the country's infrastructure through environmentally friendly construction processes. The focus is on minimizing negative impacts on the environment, society, and most vulnerable groups.



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION

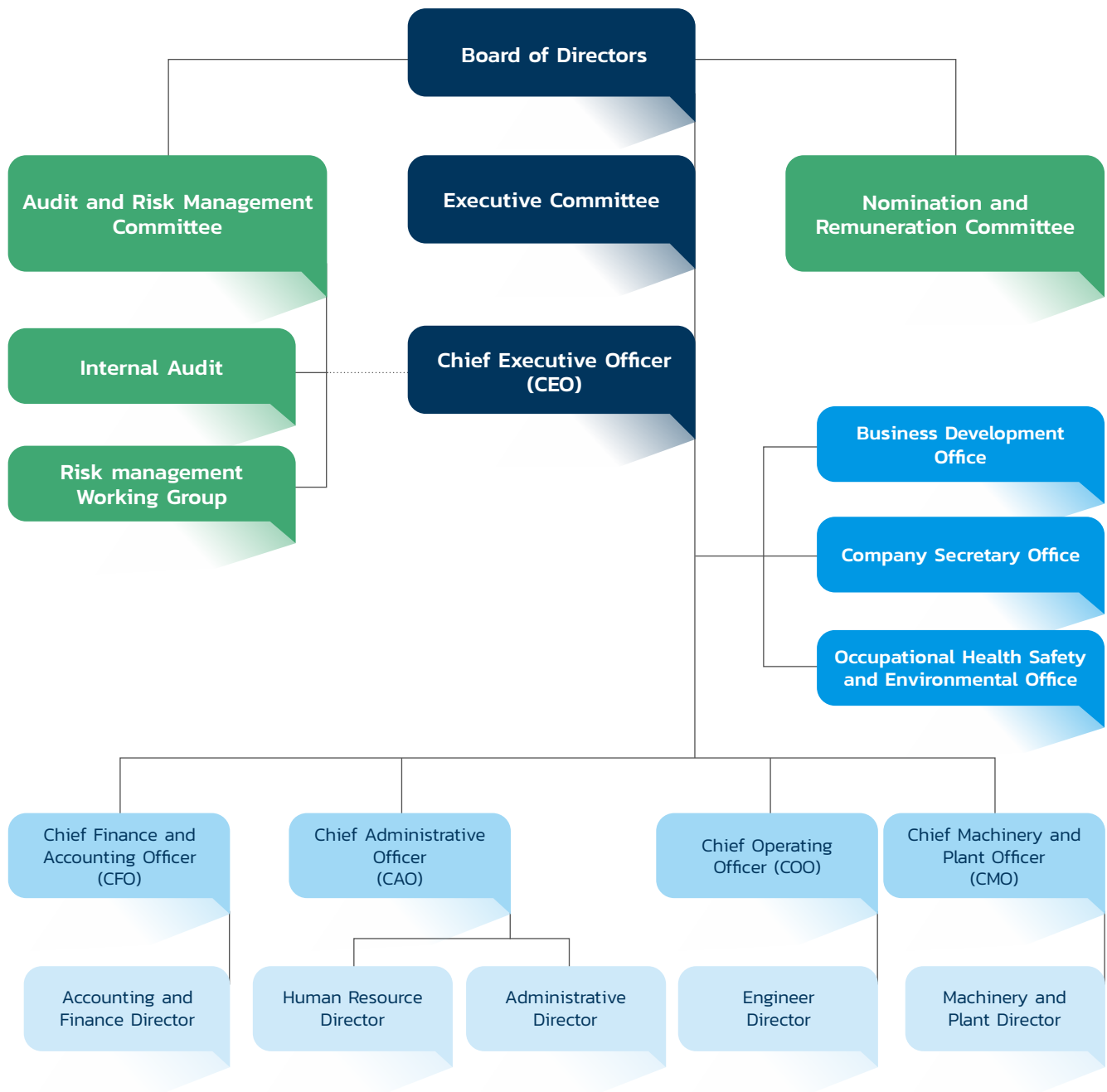
Developing the country's infrastructure efficiently by utilizing existing resources wisely and minimizing losses in the process, including selecting environmentally friendly materials.



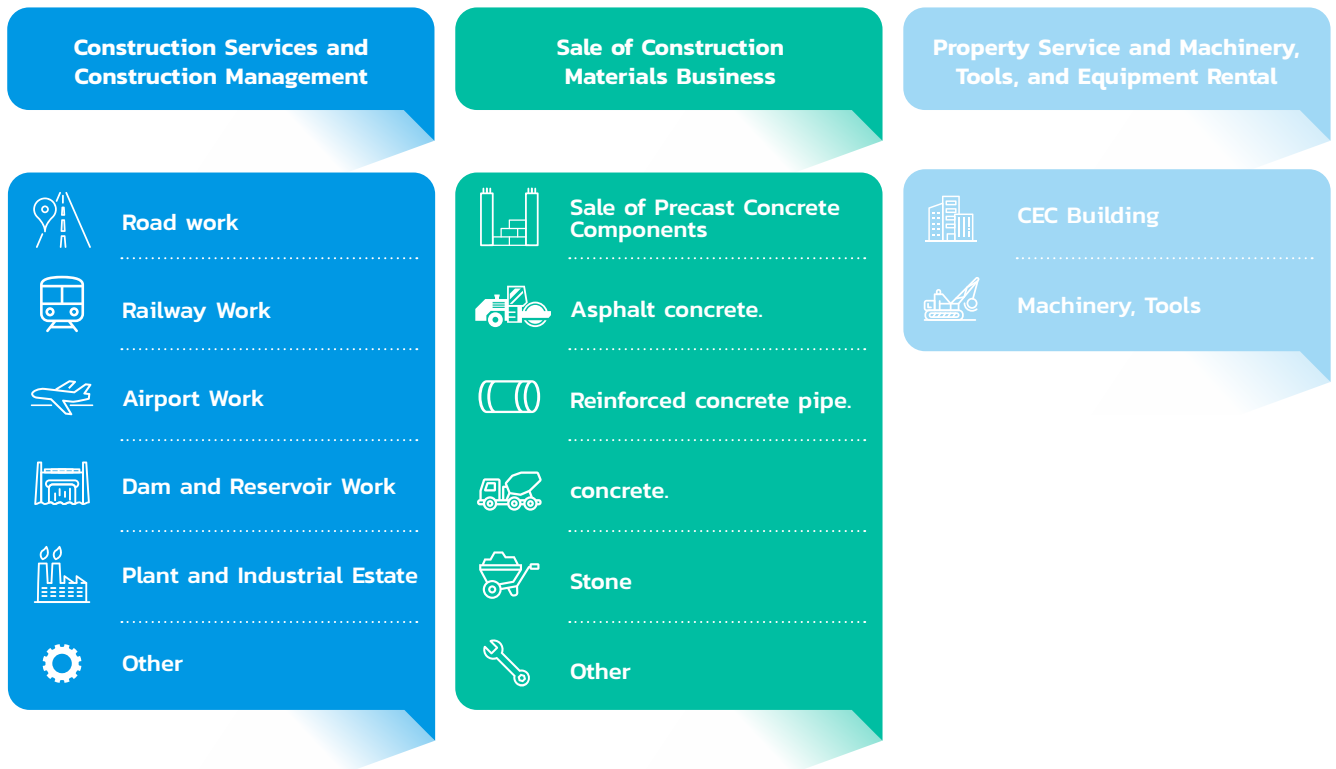
13 CLIMATE
ACTION

Being prepared to contribute to mitigating the impacts of climate change and transitioning towards a low-carbon society through innovative environmentally conscious construction practices (Green Construction) under sustainable resource management principles, and reducing greenhouse gas emissions both directly and indirectly throughout the entire value chain.

Management structure



Characteristics of Products or Services



1.1 Construction and Construction Management

The construction services business of the company group has a long history of expertise and experience in engineering and construction work. Projects currently underway are directly contracted from project owners, mostly governmental agencies, except for the double-track railway project between Bang Saphan Noi and Chumphon, which is subcontracted from the STTP joint venture. This is the first railway construction project that the company group has undertaken with a private construction contractor, and the construction of a pedestrian overpass (Skywalk) for the Green Line Phase I, subcontracted from PTT Public Company Limited. However, the company group plans to expand its customer base to include private sector project owners with strong financial standings and to diversify the types of construction projects further. Moreover, the company group will enter construction projects both through direct bidding and subcontracting from other large private construction contractors in projects that the company group deems appropriate in terms of project size, location, and expected return on investment.

Furthermore, the company group emphasizes operational efficiency through personnel development, the use of technology in management, managing relationships with suppliers, and having factories for producing certain construction materials. This ensures that the construction projects of the company group are of specified quality and

delivered on time, while managing the construction project costs within the set budget and maximizing efficiency.

In this regard, the construction projects will primarily be horizontal projects, such as road construction, railway construction, airport construction, and dam and reservoir construction, among others.

1.2 Construction Material Manufacturing and Distribution Business

(a) Distribution of Precast Concrete Components

The precast concrete components of the group of companies are operated under CCSP and can be manufactured and distributed to external parties, as well as used in the construction projects of the group of companies.

Since the group of companies has a strategy to diversify revenue sources beyond construction services work and government agency clients, the group has established a precast concrete component manufacturing plant (Yard Segment) for use in its projects and for external distribution. Additionally, the company sells precast concrete components to private construction companies, with payment terms stipulated to be received upon completion of the project and inspection acceptance as agreed upon in the contract, typically within an average period of 30 to 90 days.

(2) Sale of Construction Materials

Based on the comparative advantage of the group of companies in terms of economy of scale and bargaining power with suppliers, the group of companies has engaged in purchasing and distributing construction materials to contractors (both for use in the group's projects and elsewhere) and other individuals with demand. In cases where contractors purchase construction materials for use in the group's projects, it ultimately helps the group of companies effectively manage project costs overall.

The main construction materials sold include ready-mixed concrete, aggregates, sand, and steel. The group of companies processes orders upon receiving purchase orders from contractors and provides credit terms to contractors for approximately 30 to 90 days. Additionally, the selling prices of construction materials are cost-plus-profit as determined by the group of companies.

Sale of limestone under the mining license granted to CCSP

On June 2021 ,15, the Department of Primary Industries and Mines granted a renewal of one mining license to CCSP for limestone mining in a designated area in Saraburi Province for an additional 16 years, from June 2021 ,10, to June ,9 2037. In November 2021, CCSP contracted Sila Global Saraburi for various operations to obtain limestone, such as for the construction industry and cement industry, given Sila Global Saraburi's expertise, machinery, personnel, and related resources for drilling, blasting, crushing, and distributing limestone.

This mining operation is expected to generate a continuous cash flow and diversify revenue sources from the sale of limestone. The main target customer groups include the concrete and cement industry, construction contractors, and construction material distributors. Moreover, the company group plans to use the limestone in its construction projects, particularly the high-speed railway project between Saraburi and Kaeng Khoi, which will help reduce construction costs and secure a stable limestone supply for the company group.

3.1 Rental Business

(a) Office Building Space Rental and Real Estate Services

CCSP leases office space within one office building, the CEC building, located adjacent to Kamphaeng Phet 6 Road, near Vibhavadi Rangsit Road and Wat Samian Nari BTS station, a location with potential for growth. The leased or serviced area is on floors 1 to 6, totaling 4,193.70 square meters. The occupancy rate as of December 2023 ,31, was %100.

In considering the leasing of such space, the company group takes into account the purpose of the lease, the financial status of the lessee, the desired area size, and the lease duration. Lease agreements between the company and lessees specify a fixed rental rate, with terms ranging from 1 to 3 years, depending on negotiations between the parties, and require rent to be paid in advance at the beginning of each month.



CEC building

(2) Machinery, Tools and Equipment Rental

The company group optimizes asset utilization by leasing out machinery, tools, and equipment that the company owns and does not need to use during certain periods to subcontractors for use in the company group's construction projects. This approach effectively manages overall costs and generates income for the company group, Machinery Main Tool ,Crane ,Backhoe etc.

3.2 Scope of Report

The timeframe of this report presents the performance data for the year 2023, covering the operations of all business units under the name of Civil Engineering Corporation Limited (Public Company). This includes the headquarters, subsidiaries, and manufacturing plants of the company. The reporting period spans from January 2023 ,1, to December 2023 ,31.

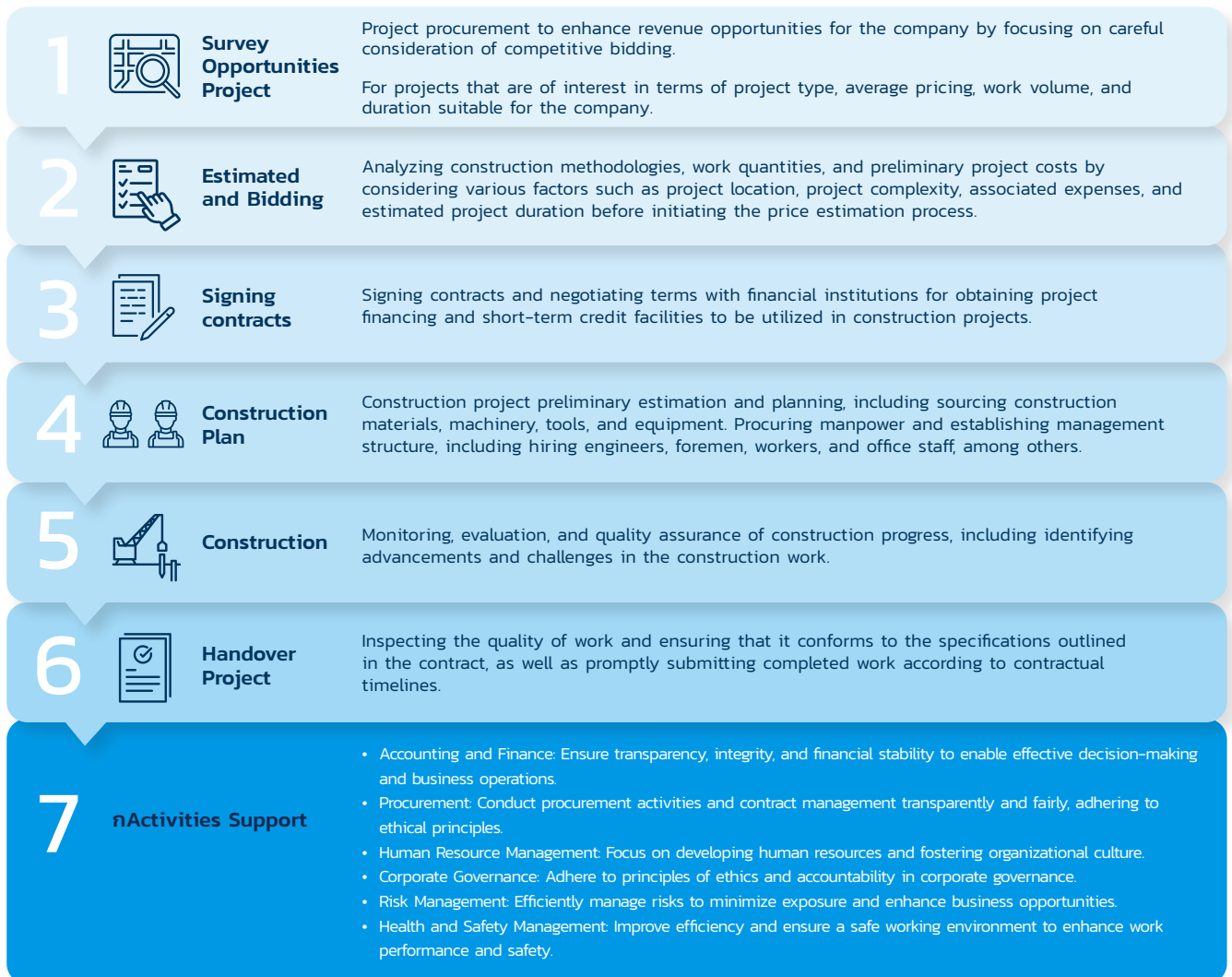
The reporting frequency

Annual Report

3.3 Value Chain Management

The company places importance on sustainable development not only within the organization but also throughout the entire value chain of the business. Therefore, the company has integrated value chain management into sustainable business practices, focusing on managing the value chain based on principles of good corporate governance and business ethics. Additionally, the company emphasizes stakeholder engagement, covering understanding stakeholder expectations, conducting assessments and analyses of relevant issues, and developing action plans to maximize benefits for stakeholders. This is to minimize potential impacts that may arise from business activities along the company's value chain. Activities along the value chain are categorized into two types: primary activities and support activities.

3..3.1 Value Chain Activities



3..3.2 Analyzing stakeholders in the value chain of the business.

	Governance and Compliance	Business Partner	Customer	Employee	Shareholder And Investor	Financial institution	Community and Society	Press	competitors
1									
2									
3									
4									
5									
6									

3.4 Participation of stakeholders

Stakeholders	Key issues or expectations	Action Guideline for Feedback	Respond
Government or regulatory agencies	• Compliance with laws and basic regulations • Environmental and social impact management	• Continuously monitor government policies to promptly formulate business strategies. • Strictly adhering to relevant laws and regulations. • Regularly assess and monitor environmental and social impacts. • Develop operational processes and implement measures to mitigate social and environmental impacts resulting from company operations. • Support the sustainable development goals of the United Nations.	• Disclosure and reporting of results to government agencies. • Business site visits. • Participation in various meetings with government agencies.
Business partners and contractors. Top of Form	• Fair procurement and timely payment practices. • Safe working environment. • Enhancement of knowledge and skills of the workforce.	• Establish fair procurement practices in collaboration with all partners or contractors. • Set standards for assessing and selecting partners based on sustainability (ESG) criteria. • Disclose significant procurement information. • Specify prohibitions preventing managers and employees from receiving any personal benefits from partners, whether directly or indirectly. • Set safety and health guidelines, ensuring strict compliance by all partners. • Provide training to enhance capabilities and elevate service standards. • Clarify and support partners in respecting human rights by treating workers fairly and responsibly contributing to society and the environment.	• Contracting and amending contract terms, as well as reporting purchase orders. • Conduct joint meetings with partners and contractors to communicate company policies and address their inquiries on various issues.

Stakeholders	Key issues or expectations	Action Guideline for Feedback	Respond
Customers: - Government project - Private sector project	- Attention to management and ability to control health and environmental impacts. - Suitability in details, quality, construction techniques, and pricing. - Efficient tools, machinery, and equipment for service delivery and project completion. - Adequate skilled personnel ready for task execution. - Experience and techniques for successful project delivery in various construction types. - On-time project delivery success. - Engineering projects meeting safety and quality standards aligned with customer requirements.	- Compliance with laws and environmental assessment criteria. - Procurement of quality, efficient, and suitable materials, equipment, and machinery. - Recruitment of skilled and experienced personnel and contractors to ensure quality project delivery on time. - Cost management in construction across the company group to maintain competitive pricing. - Development, improvement, and production of products and services to enhance competitiveness and deliver projects of high quality, meeting standards, specifications, and deadlines specified in contracts. - Regular review of work performance to improve project quality, with this being a regular agenda item in meetings. - Open channels for listening to feedback and suggestions from all stakeholders. - Building confidence in the data retention process for customer information. - Guaranteeing projects as specified in the construction contract.	- Meetings and conferences with clients - Annual reports - Online communication / email - Website: https://www.civilengineering.co.th - Alternative online media: Civil Engineering PCL. (Facebook and Line) - Annual customer satisfaction surveys
Employee - Monthly - Daily	- Opportunities for professional growth and career advancement - Adequate and fair welfare and compensation packages - Equal rights and fair treatment of employees - Safe and suitable working environment - Continuous knowledge development	- Providing training and development opportunities to enhance professional skills and other supportive skills. - Considering fair compensation and benefits for employees, taking into account industry labor wages. - Establishing practices for employees in accordance with relevant laws and basic human rights principles. - Setting work safety and health guidelines, along with enforcing strict compliance. - Establishing channels for employees to lodge complaints and provide feedback.	- Internal electronic communication within the organization. - Management engagement activities with employees. - Hotlines/ inboxes for feedback. - Company complaint channels. - Training seminars and workshops.
Shareholders / Investors	- Equal treatment towards all shareholders. - Continuous business performance growth. - Transparent governance and accountability with auditable practices. - Comprehensive access to important business information and timely updates. - Alignment of business operations with sustainable practices (ESG).	- Conduct a feasibility study, considering both budgetary constraints and sustainable development-focused investment returns for each project, before making decisions. - Provide accurate, complete, and clear information that can be transparently verified. - Listen to feedback for improving operations. - Disclose important information related to business operations and adhere to sustainable practices to build widespread confidence among stakeholders. - Incorporate sustainability-focused operational plans into business plans and strategies.	- Annual reports - Online communication / Email - Website: https://www.civilengineering.co.th - Alternative online media: Civil Engineering PCL. (Facebook and Line)

Stakeholders	Key issues or expectations	Action Guideline for Feedback	Respond
Financial institution	• Paying debts on time according to the specified conditions • Adhering strictly to various terms and conditions.	• Repaying debts promptly to avoid defaulting on payments. • strictly adhering to the various terms and conditions specified in the contract.	• Meeting
Community and Society • Surrounding community • General public • Road users	• Safety from the company's business activities: • Implement measures to mitigate environmental impacts caused by pollution such as dust, particulate matter, and noise. • Participate in taking responsibility and improving the quality of life in the community, including providing education, creating employment opportunities and income, supporting funding, or providing beneficial equipment for the community.	• Maintain a commitment to assessing environmental impacts in every project. • Establish clear practices and measures to address impacts to minimize potential societal and environmental effects promptly. • Engage in discussions and seek feedback from community members to understand their needs better. • Organize community outreach activities to promote participation and collaboration between the company, communities, and society, including monitoring long-term progress.	• Community and Social Projects • Engaging with local communities • on-site Listening to feedback • Community outreach activities
Press	• Transparency and Disclosure Accurate • Information Protection of Personal Data and Data Security	• Communicate and disseminate accurate information promptly and transparently. • Assign relevant departments to take responsibility for public relations and cultivate positive relationships with the media.	• Website: https://www.civilengineering.co.th • Alternative online media: Civil Engineering PCL. (Facebook and Line) • Providing interviews and press releases on a case-by-case basis.
Competitors	• Fair Competition	• Conducting business with integrity and adhering strictly to competition laws.	• Conducting meetings through the Construction Industry Association, including relevant government agencies.

3.2 Policy and Objective of Sustainability

3.2.1 Sustainability Policy

The company is committed to conducting its business sustainably, focusing on creating value across three dimensions: economic, social, and environmental. This commitment is grounded in effective corporate governance to foster sustainable growth. The company has established policies related to various issues, including:



Economic

- Corporate Governance Policy
- Internal Control and Internal Audit Policy
- Risk Management Policy
- Conflict of Interest Policy
- Interrelated Transactions Policy
- Anti-Corruption Policy
- Disclosure and Complaint Policy
- Company Confidentiality and Client Confidentiality Policy
- Securities Trading and Insider Information Policy
- Disclosure Policy to Stakeholders
- Financial Reporting Policy
- Investment Policy
- Dividend Policy
- Subsidiary and Affiliate Operations Oversight Policy
- Communication Policy
- Asset Preservation and Utilization Policy
- Succession Planning Policy
- Personal Data Protection Policy
- Tax Policy



Social

- Policy on Social and Environmental Responsibility
- Policy on Safety, Occupational Health, and Workplace Environment
- Policy on Human Resources Management and Development
- Human Rights Policy



Environmental

- Policy on Social and Environmental Responsibility
- Biodiversity Management Policy
- Policy on Environmentally Friendly Construction Support

The implementation of sustainable development policies has included the establishment of key performance indicators (KPIs) to track and evaluate the effectiveness of the company's operations and those of all subsidiaries. These KPIs cover environmental, social, and governance (ESG) aspects, reflecting the business's responsibility towards stakeholders and continuous organizational development. The company is confident that these policies will be well cared for, responsibly managed, and implemented comprehensively by employees and managers at all levels of the company group.

Economic and Good Corporate Governance Policy:

The company is committed to conducting business in conjunction with good corporate governance practices, aiming to create sustainable returns in the long term for investors and all stakeholders. The company firmly adheres to and complies with laws, regulations, and various requirements related to business operations diligently. Additionally, it recognizes the importance of corporate governance to establish effective, transparent, auditable management systems. This will help create sustainable returns in the long term for investors and all stakeholders. Good corporate governance processes will ensure efficient, effective, and accountable management, instilling confidence and trust among shareholders, stakeholders, and relevant parties. It helps the company achieve its strategies, objectives, and goals, enabling it to adapt to changes and create long-term value and sustainability.

The company's management and board of directors are aware of their responsibility and accountability to the shareholders and stakeholders of the company in all aspects to create long-term value for shareholders and stakeholders and develop the organization sustainably while promoting high-quality social support and promotion. The company mandates regular reviews of good corporate governance policies and additional policies at least annually to ensure continued adherence and improvement.

Environmental Policy:

The company is fully aware of the potential negative environmental impacts that may arise from the production processes of construction materials and project construction operations. Therefore, the company has established policies for its social and environmental responsibilities, covering energy management, resources, waste, and pollution. It adheres to environmental management frameworks aligned with the Sustainable Development Goals (SDGs) set by the United Nations, seeking opportunities to conserve energy, promote sustainable consumption and production, including the principles of the Circular Economy. Additionally,

environmental conservation is integrated into every aspect of the company's operations.

To ensure effective implementation, the company appoints task forces and assigns responsibilities for environmental management within its organizational structure. These teams are responsible for guiding, overseeing, controlling, and monitoring environmental impacts both internally and externally. Moreover, the company adheres to environmental regulations and standards set by relevant national agencies, such as the Department of Natural Resources and Environment. It strictly follows environmental criteria and standards established by project owners.

Furthermore, the company has begun integrating principles of Green Construction into its business activities. This involves incorporating environmentally friendly construction practices to demonstrate a commitment to maintaining environmental balance and mitigating the impacts of climate change. The company emphasizes the use of modern engineering technologies and techniques to reduce greenhouse gas emissions, pollutants, and waste throughout the supply chain.

By embracing these initiatives and practices, the company aims to minimize its environmental footprint and contribute to sustainable development while staying at the forefront of technological advancements in construction processes. This approach demonstrates the company's commitment to environmental stewardship and resilience in the face of climate change.

Social Policy:

The company is committed to delivering high-quality construction and service offerings to customers, supported by experienced and skilled teams. It aims to foster and maintain good relationships with stakeholders critical to the company's business, including customers, partners, contractors, and employees. The company has established best practices aligned with its Corporate Social Responsibility (CSR) and Human Resource Management policies. These practices prioritize respecting human rights in line with the United Nations Guiding Principles on Business and Human Rights, conducting business ethically, treating workers fairly, and ensuring a healthy and conducive work environment in compliance with Thai labor laws.

Furthermore, the company actively engages with surrounding communities by supporting activities and providing necessary amenities to improve their quality of life. It seeks sustainable growth while collaborating with stakeholders to create mutually beneficial outcomes.

Company's Sustainability Management Targets

Economic and Corporate Governance Targets

Employees carry out their duties with honesty, integrity, ethics, and responsibility. Prevent or avoid any actions that may lead to conflicts of interest. Safeguard confidential information and refrain from using internal information for personal gain or benefitting others. Aim for all employees to comply with the ethical code to %100 and have no complaints regarding ethics by 2030.

Targets

Target	Short-term Target year 2023 -2025	Year 2023	Long-Term Target year 2030	Remark
Employees attend ethics training according to the ethical guidelines in full compliance, achieving 100% completion	The completion rate of training is 30%.	The completion rate of training is 20%.	The completion rate of training is 100%.	Training All Employee
The percentage of ethics-related complaints is 0%.	N/A	The complaint rate is 0%, indicating that there have been no complaints regarding ethics or misconduct reported within the organization.	The complaint rate is 0%.	Year 2023 There were no records of complaints reported. Top of Form

Target Highlight Projects.

"Business Ethics Training Program for Employees"



Environmental Target

To reduce the amount of waste generated from the office and to find appropriate methods for disposing of such waste that have the least impact on the environment while complying with relevant laws and regulations regarding waste disposal. The goal is to reduce the quantity of waste generated from office operations by at least %20 by the year 2030."

Target

Long-Term Target year 2030	Short-term Target year 2023 -2025	Quantity Information (Average) Jan – Dec 2023	Remark
To reduce electricity consumption by up to 20% by the year 2027 compared to the year 2023.	To reduce electricity consumption by up to 10%	Electricity consumption volume 176262 Units	Year 2022 Not implemented, data collection.
Reducing general waste and plastic bottle quantities by 20% by the year 2027 compared to 2023.	Reducing general waste and plastic bottle quantities by 10%	General waste and plastic bottle quantities amount 360 Kg	Year 2022 Not implemented, data collection.

In order to promote knowledge and understanding among company employees on proper waste separation techniques, and to cultivate an organizational culture that initiates actions to reduce greenhouse gas emissions, the company has joined the 'Ting To Trash' waste separation project. This initiative is led by the Thai Listed Companies Association in collaboration with the Securities and Exchange Commission Thailand (SEC). The company is currently studying the process through collaboration with ThinkKidthink Co., Ltd., which provides the software platform system (ECOLIFE Application) for the project."



Social Target

Target

Target	Short-term Target year 2023 -2025	Actual Employee Training Course Average (Persons) 2022 - 2023	Long-Term Target year 2030	Remark
General Training Course Average 15 Hours/Year/person	Training Course Average 7 Hours/Year/person	Training Course Average 5 Hours/Year/person	Training Course Average 15 Hours/Year/person	-
Employees pass the assessment criteria with a score of 100 %	100	100	100	-

Target Highlight Projects.

At the end of 2023, the company organized the ONE TEAM ONE INNOVATION (OTOI) Sub - Project under the CIVIL 10 X Project. This initiative aimed to enhance knowledge in innovation and/or work processes. Employees formed teams to present ideas aimed at acquiring additional knowledge or processes related to innovation, which could be utilized to enhance work efficiency.

The enhancement of knowledge in innovation and processes can be achieved through participation in seminars, training sessions, collaboration with others in projects or workgroups aimed at innovation, and learning through trial and error and development during work processes."



Target

Target	Long-Term Target year 2030	Short-term Target year 2023 -2025	Remark
Organizing a competition with the aim of generating a number of innovative projects and/or processes that can be further developed.	Not less than 30 Projects	Not less than 10 Projects	Kick-off Project December 2023
The aforementioned project can be implemented for real through performance evaluation, scoring up to 100 %	100 %	80 %	-

3.3 Key Sustainability Issues

The annual assessment of key sustainability issues considers factors that impact both the internal and external aspects of the company. This is to enable the business to drive sustainable organizational development, integrated as part of regular

business operations, leading to quality standard reporting of operational results. This supports the long-term robust growth of the business and includes the following key steps:"

3.3.1 Identification of Key Issues and Prioritization

Step 1: Identifying Key Issues

In identifying key issues that are significant, the Sustainable Development Task Force selects critical issues related to sustainability, considering both internal and external contexts, global trends, and referencing the Global Reporting Initiative (GRI) framework. This process involves studying and analyzing the organization's vision, mission, culture, value chain, business strategy, risks and opportunities, as well as industry directions and trends. Additionally, it considers issues that stakeholders find important. This report discloses information on significant construction projects, with the company preparing to enhance data collection processes for efficiency.

Step 2: Evaluation and Prioritization of Sustainability Importance

The Sustainable Development Task Force gathers feedback from representatives of all stakeholder groups through questionnaire responses regarding the prioritization of sustainability issues important to stakeholders. Together, they analyze and prioritize key issues that impact business operations within the same or related industries, and are significant to stakeholders. These prioritized issues are then presented to senior management for consideration and approval.

Step 3: Verification of the Significance of Key Sustainability Issues and Continuous Improvement Review

The Sustainable Development Task Force presents significant sustainability issues to the President and senior management for approval, ensuring completeness, accuracy, and alignment with the expectations of stakeholders, both internal and external. They certify the prioritization of issues, considering their influence on stakeholder assessment and decision-making, alongside their significance concerning economic, social, and environmental impacts. Furthermore, the company reviews the accuracy of the assessment and prioritization of key sustainability issues. The Executive Committee, as the senior management body, is responsible for reviewing and approving the results of the annual assessment of key sustainability issues for the year 2022, as depicted in the matrix of key sustainability issues assessment results.

3.3.2 Summary of Sustainability Key Issue Assessment

The evaluation of key issues between the company and its stakeholders, both internal and external, considers factors relevant to stakeholders and the company across economic, social, and environmental dimensions to assess the significance of sustainability issues. Analysis involves prioritizing sustainability issues that impact stakeholders, categorized into three types based on their importance to the company and their impact on stakeholders:

1. Highly Significant Issues: These are issues of utmost importance to the company and have a significant impact on stakeholders.
2. Moderately Significant Issues: These issues hold moderate importance to the company and have a moderate impact on stakeholders.
3. Less Significant Issues: These issues hold minimal importance to the company and have a lesser impact on stakeholders.

This assessment process enables the company to address key sustainability issues effectively and prioritize actions to mitigate their impact on stakeholders.

Sustainability Key Issue Assessment



Governance

1. Good Corporate Governance
2. Risk Management



Economic

3. Supply Chain Management
4. Information Security and Personal Data Protection
5. Processes and Innovations



Environment

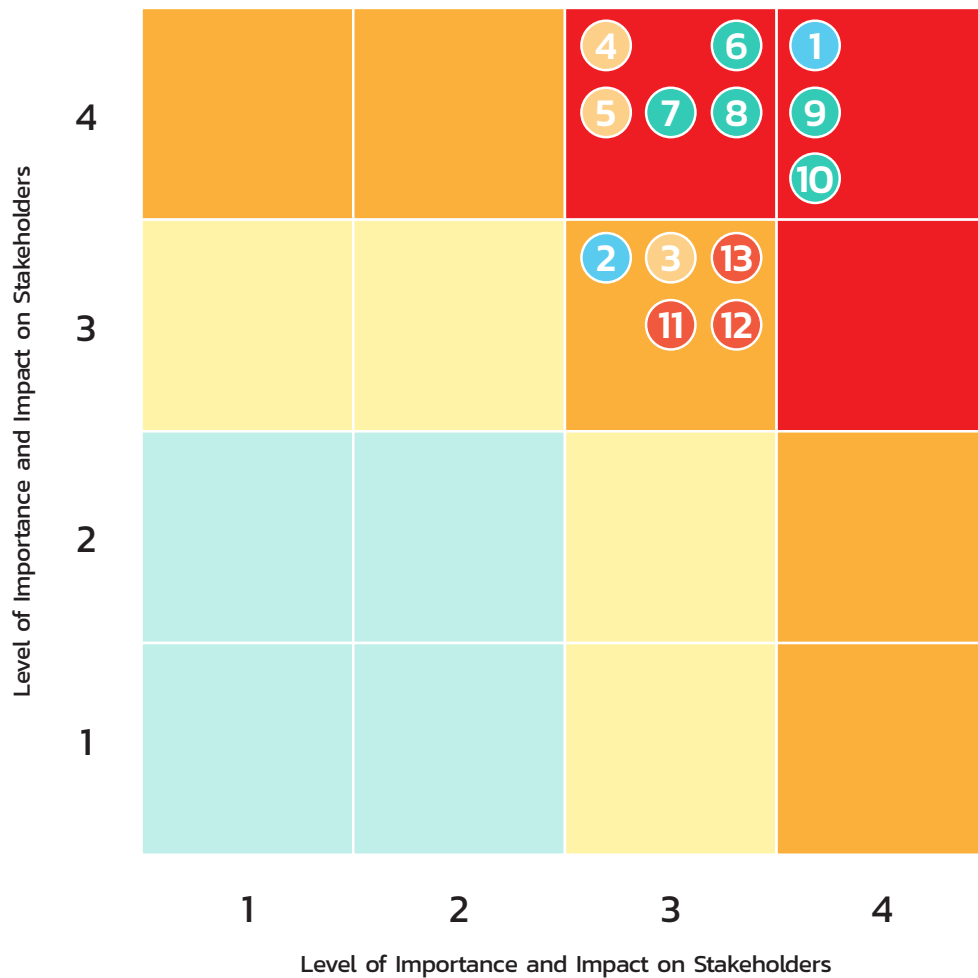
6. Energy Management
7. Water Management
8. Waste Management
9. Air Pollution Management
10. Climate Change Management



Social

11. Employee and Labor Practices
12. Customer and Consumer Practices
13. Community and Societal Practices

Matrix of Key Sustainability Issue Assessment Results for the Year 2023



3.4 Operation Results and Sustainability Indicators

3.4.1 Environmental Dimension Operation: Energy Management

The company is aware of the importance of reducing energy consumption and maximizing energy efficiency to conserve energy. Therefore, the company emphasizes energy management in its business operations by strictly adhering to governmental energy policies. Investments have been made in energy conservation projects, such as replacing traditional lighting systems with high-quality LED (Light Emitting Diode) bulbs, which have a long lifespan and low electricity consumption. This initiative not only helps the company save energy but also reduces long-term expenditure compared to using traditional fluorescent lamps. Additionally, the company promotes energy conservation awareness among employees through training and public relations activities. Measures include turning off unnecessary lighting during specified periods and encouraging cooperation in switching off lights in meeting rooms after use. Other practices include using stairs instead of elevators, controlling air conditioning temperatures not exceeding 25 degrees

Celsius, and switching off air conditioning units during breaks. Furthermore, the company schedules regular maintenance, inspections, and repairs for all electrical equipment to ensure optimal functionality, including lighting systems, air conditioning systems, ventilation fans, lifts, and office equipment. The company also plans to utilize energy-saving LED bulbs for lighting systems in all construction project areas in the future to enhance energy efficiency.

In the year 2023, the company continues to work diligently to align with sustainable operation frameworks and its energy conservation plan, especially for large office buildings. The company has started collecting energy usage data for analysis to set continuous reduction targets for energy consumption realistically.

Water Management

Water is another crucial factor for the industrial sector, especially in the construction industry, which requires a significant amount of water for various purposes, including material production, large-scale infrastructure construction projects, and public utilities in office buildings. The increasing

demand for water resources across all sectors to accommodate future population growth, coupled with the escalating crisis of droughts due to climate change, poses significant risks to the company's business operations.

Therefore, the company has outlined water management guidelines and contingency measures focusing on enhancing water efficiency within the organization based on the principles of the 3R: Reduce, Reuse, and Recycle.

Examples of outstanding projects to improve water efficiency by the company include inspecting water usage equipment and maintaining plumbing systems in good working condition to minimize unnecessary water loss. The company installs water-saving sanitary facilities and upgrades equipment and water distribution systems to reduce water usage in construction material production processes.

Appropriate construction techniques are employed to minimize water usage in each project effectively. Additionally, the company emphasizes the importance of engaging stakeholders who rely on water resources, such as employees, partners, and contractors, through public relations activities to encourage water-saving practices.

For the year 2023, data on water usage in large office buildings and construction projects of the company have not been collected yet, as there is no wastewater discharge from construction activities. However, the company manages the quality of wastewater from healthcare systems to comply with the standards set by law. General waste and recyclable materials management:

To reinforce the company's commitment to becoming a leading construction company in the country, the company has comprehensive environmental management practices in place for every construction project area and office. These practices adhere to legal requirements and include measures to prevent and mitigate negative environmental and social impacts, such as pollution from waste, noise, and dust, as specified in the Environmental Impact Assessment (EIA) report. The company also complies with environmental requirements specified in contracts and prepares reports on environmental impact mitigation measures, as well as monitoring and reviewing environmental impacts rigorously to ensure minimal impact on communities and diverse ecosystems.

The company prioritizes waste reduction in business operations by minimizing or using resources only when necessary. Paper waste reduction measures, such as reusing

paper and relying on electronic data transmission technologies instead of paper, are implemented.

Furthermore, the company plans to efficiently manage waste within the company by carefully considering waste utilization in each process and maximizing its value through reuse and recycling principles, starting from resource selection in production, manufacturing processes, and waste management in each production facility.

Overall, the company's waste management practices aim to achieve maximum efficiency and value by adhering to the principles of reduce, reuse, and recycle throughout its operations.

Air Pollution Management

The company is well aware of the negative impacts on air quality resulting from the construction of large-scale infrastructure projects. It believes that managing air pollution, particularly the issue of particulate matter, is an important part of demonstrating responsibility towards workers and surrounding communities. Therefore, the company strictly adheres to measures to control particulate matter within the standards set by government agencies. It implements various air pollution management strategies in construction projects, such as temporary water spraying to prevent dust dispersion, vehicle washing before leaving construction sites, managing traffic to reduce emissions, installing dust traps and bag filter systems, and planting trees to mitigate dust and noise pollution.

Moreover, the company has started adopting modern engineering technologies and standards to enhance construction planning and execution efficiency. For example, the use of successful component installation machinery (Launcher) has reduced construction time by 3-2 times compared to traditional methods, and the use of ready-mixed concrete near residential areas helps control dust dispersion from cement and sand. The company conducts regular air pollution measurements and ensures compliance with government standards. It has not faced any legal disputes regarding environmental issues so far.

Adapting to Climate Change

The company recognizes the significant changes in the climate and actively prepares to address them as part of the global initiative towards a low-carbon society. Key measures include enhancing the efficiency of construction machinery and vehicles, regular maintenance and data collection to plan energy usage efficiently, upgrading machinery to meet Euro emissions standards, and

incorporating electric vehicles into operations. These efforts aim to control emissions of carbon monoxide (CO) and nitrogen oxides (NOx) within regulatory limits set by environmental agencies.

Transitioning to Environmentally Friendly Cooling Agents

The company acknowledges the importance of using environmentally friendly cooling agents in air conditioning systems to reduce greenhouse gas emissions. It plans to phase out the use of CFC-containing refrigerants in both office buildings and future construction projects.

Utilizing Renewable Energy

In addition to energy conservation efforts, the company aims to reduce long-term energy costs by exploring the possibility of installing solar power systems in office buildings and manufacturing facilities, aligning with the United Nations Sustainable Development Goal 7.

Greenhouse Gas Emission Reporting

The company participates in the Care the Bear project, a collaborative effort to reduce CO₂ emissions by planting trees. It aligns its emission reduction calculations with international standards and continuously improves its reporting scope 1 and scope 2 to ensure transparency. Initial efforts focus on data collection and compliance with assessment standards, with a reduction of 643.00 kgCO₂e achieved through various business activities. Ongoing external audits are expected in the future.

The total reduction in greenhouse gas emissions, equivalent to tree planting



Remark: *Source of information "Care the Bear" The Stock Exchange of Thailand.

Disclosure TCFD

The principle of financial disclosure is related to climate change.

Corporate Governance	Strategy	Risk Management	Indicator and Target
Information for Governance Risk & Opportunity Related climate change.	The impacts that may arise could involve risks and opportunities related to climate change affecting business strategies and financial planning of the company.	Process in addressing, assessing, and managing risks associated with climate conditions	Establishing key performance indicators and targets used to assess risk management and opportunities related to climate conditions.

"In 2022, the company recognized the critical importance of climate change impacts on biodiversity. The company was determined to begin adopting the principles of the Task Force on Climate-related Financial Disclosures (TCFD) to manage organizational risks by qualitative explanation. This is part of the assessment of sustainability risks and opportunities. We have plans to quantitatively evaluate the financial impacts of these risks in the future. The company integrates identified risk and opportunity data with stakeholder needs and business strategy in developing sustainable strategies, goals, and projects.

The Risk Management Working Group has been assigned to oversee climate-related risk and opportunity management, in collaboration with the Sustainable Development Task Force and reports to the Board of Directors. The Risk Management Committee, comprising senior executives, is responsible for reviewing risk management operations across all units to ensure that significant risks are identified and managed effectively, including climate-related risks and opportunities.

Material Selection and Construction for the Environment

"The company recognizes the significant importance of climate change impacts on biodiversity. Therefore, environmental responsibility is emphasized at every stage of the company's operations. The principles of Green Construction are applied from the selection of construction materials to the construction process itself. The company pays attention to details in selecting quality and safe construction materials, as well as employing construction techniques that minimize environmental impact.

Notable practices of the company include avoiding or discontinuing the use of construction materials containing hazardous substances harmful to health and the environment, such as asbestos. Moreover, the company applies modern engineering technologies and techniques to enhance construction efficiency, reducing both the volume of work and construction time compared to traditional methods. Additionally, efforts are made to enhance the efficiency of inventory management systems and logistics to reduce the amount of unused construction materials in projects and minimize energy consumption in transporting unused construction materials back to the factory.

Furthermore, the company is conducting studies to consider sourcing environmentally friendly construction materials to replace conventional ones, such as hydraulic cement, which helps reduce carbon dioxide emissions in the manufacturing process.

Biodiversity management.

Regarding biodiversity management, the company places importance on the environmental impact of its operations and has thus established a biodiversity policy to guide its biodiversity management practices. These include:

1. Studying the biodiversity status of construction sites, factories, and headquarters to understand the basic information of biodiversity in the area.
2. Assessing the risks and impacts that the company's operations may have on biodiversity in target areas.
3. Establishing prevention and mitigation measures for impacts on biodiversity at construction sites, factories, and headquarters.
4. Establishing cooperation networks with communities and stakeholders in the company's value chain to communicate and build trust with communities and stakeholders residing near construction sites, factories, and headquarters regarding biodiversity conservation.
5. Organizing activities or processes to conserve and develop biodiversity, inviting business partners to participate in activities.
6. Monitoring the results of biodiversity conservation and development activities to continuously improve biodiversity management practices.

In 2566, the company continued to collaborate with communities and stakeholders in various development projects. Additionally, the company prioritized the enhancement of biodiversity by increasing green spaces within its factory premises and main offices. Moving forward, the company plans to selectively identify target areas for further enhancing biodiversity around construction sites.

Key Item	The company focuses on environmental responsibility to prevent impacts on communities and the environment, mitigate global impacts, reduce waste quantities, and manage limited waste disposal areas.
Indicators and Performance	Reducing the general waste quantity by 20% from the year 2023 to the year 2030. Comparing the quantity of waste, the proportion of each waste category for waste management.
Project	Campaign to raise awareness among employees regarding general waste management, particularly within the main office building. This includes preparing designated areas for storing recyclable waste systematically, as well as materials that can be reused or recycled, and arranging for the proper disposal of hazardous waste through certified external agencies.
Objective	To raise awareness and cultivate a culture of waste reduction and systematic waste management within the organization, the company plans to implement highly efficient waste management practices (Waste Utilization). The management team has devised a detailed plan and closely monitors the utilization of waste in each process to ensure maximum value and benefit through reuse and recycling principles.
Planning	The scope of the plan for the company's main office building began implementation in 2023.
Project Evaluation	Reduce the general waste volume by 20 % from 2023 to 2030.

3.4.2 "Sustainable Social Initiatives Implementation" Employee and Labor Practices

Human Rights

In the year 2023, the company continues to be aware of the importance of respecting fundamental human rights and ensuring equal and fair treatment for stakeholders and vulnerable groups throughout its value chain to avoid negative impacts on the company's reputation and business operations. The company has demonstrated its commitment to creating equal opportunities both within and outside the organization.

By participating in the Human Rights Due Diligence (HRDD) Workshop in September 2023, organized by the Securities and Exchange Market of Thailand, the company aims to enhance understanding of conducting comprehensive human rights due diligence throughout its business operations and value chain. This training is part of the company's commitment to business ethics and human rights, with the objective of promoting the capabilities of businesses in conducting comprehensive human rights due diligence

- Enhance the capacity of businesses to conduct comprehensive human rights due diligence throughout their operations and value chains through deep knowledge-sharing lectures on each step of the human rights due diligence process. This includes exchanging insights on relevant case studies, presenting examples of best practices, and providing opportunities for learning from experts and participants from other organizations.

- Present tools for conducting comprehensive human rights due diligence that business participants can realistically apply to increase the effectiveness of the company's human rights due diligence efforts.
- Create a safe space where business participants can engage in discussions, exchange operational strategies and experiences, as well as collaborate on addressing challenges related to conducting comprehensive human rights due diligence.

The company provides a commitment to treat all employees equally, ensuring equal opportunities for advancement in their careers without discrimination based on race, nationality, skin color, religion, gender identity, sexual orientation, or physical limitations. Its highest objective is to promote diversity among employees, particularly between genders, in all professional fields. In the year 2023, the company employed a hiring process that did not involve categorization or any other form of limitation. Furthermore, the company has transparent and equitable processes for performance evaluations and compensation. This is evidenced by comparable salary compensation rates between male and female employees in similar roles.

Long-term employee development and care:

The company believes that human resources are one of the key factors in creating business value and driving sustainable business growth towards the company's objectives. Therefore, the company is committed to recruiting individuals with skills, abilities, and experiences that align with the business growth strategy, considering competitive

compensation rates within the same industry. Additionally, the company focuses on enhancing the capabilities of its employees by providing opportunities for training and development to improve knowledge, skills, and expertise in professional engineering. In the past year, the company organized a total of 20 training courses, including 5 in-house training courses and 15 courses conducted by external experts. This amounted to a total of 4 hours per person. This initiative aims to retain competent employees within the company for a long period.

Compensation and Benefits:

The company pays close attention to compensation and benefits, such as annual health check-ups for employees to reduce health risks, as well as providing a supportive work environment and a positive organizational culture. Additionally, the company offers various incentives to motivate employees, such as establishing a retirement fund, providing group insurance benefits, and supporting employees' families through a children's scholarship fund. These initiatives aim to promote employee motivation and ensure a happy working environment where employees can work together happily.

Safety and Occupational Health:

The company places a high priority on safety and occupational health as the first and foremost concern in its business operations. Inappropriate safety management can lead to accidents in work operations, potentially causing delays in construction processes. Therefore, the company strictly adheres to laws and regulations related to safety, health, and environmental standards. It has established a comprehensive occupational health and safety management system, including safety policies, manuals, and good practices for employees and workers at all levels to follow diligently. Furthermore, the company appoints a safety, health, and environmental committee, including safety officers, to oversee, promote, and support safety work. Notable safety practices include risk assessments in work areas, warning signs in high-risk areas, provision of personal protective equipment (PPE), measures to control the safe use of tools and machinery in construction, emergency response measures, and enforcement of regulations on speed limits and vehicle condition checks to prevent road accidents.

Furthermore, the company is committed to continuously enhancing its management, including fostering a safety-oriented organizational culture. This is achieved through conducting training sessions to provide knowledge on safety practices to both internal employees and external contractors. The aim is to instill awareness and prevent losses from accidents during construction operations.

Examples of safety training include pre-job safety talks, training on workplace safety for new employees and contractors, emergency stop training for construction machinery, measures for safe lifting and hoisting, precautions when installing and working with electrical equipment, and personal protective equipment (PPE) usage. Additionally, the company recognizes and rewards employees or contractors who demonstrate exemplary leadership in safety and health through various safety promotion activities, such as safety slogan competitions, safety awareness campaigns, and reporting unsafe work conditions. Due to the diligent adherence to safety policies and practices, the company achieved its goal of zero accidents resulting in fatalities in the past year, aligning with its ultimate objective of becoming an accident-free organization.

Customers and Consumers Practice

In 2023, the company continues to strive towards its goal of being a leading full-cycle engineering and construction firm in the country. Leveraging over 50 years of experience in managing large-scale construction projects, the company is committed to delivering quality work imbued with excellence, safety, and adherence to set standards.

The company pays meticulous attention to every stage of operations, from resource allocation and hiring competent subcontractors to planning procurement of high-quality, modern materials, machinery, and equipment. Additionally, it emphasizes quality control of raw materials and construction components to enhance efficiency in managing large-scale infrastructure projects.

Furthermore, the company integrates information technology systems with advanced construction engineering techniques to control costs, time, and quality. This includes monitoring project progress and testing project quality in collaboration with project owners.

Moreover, the company aims to build confidence and satisfaction among customers by providing opportunities for collaborative discussions on various issues, suggestions, or feedback at each juncture. It also plans to conduct customer satisfaction surveys in 2565 to develop and improve its operations based on customer feedback.

These initiatives demonstrate the company's commitment to delivering projects that meet the goals set by project owners while continuously improving its operations.

Community and Societies Practice

In 2023, the company continues to conduct its business in tandem with demonstrating social and environmental responsibility consistently. It actively avoids actions that may have significant negative impacts on vulnerable communities

and sensitive areas. The company provides assurances of compliance with legal requirements regulated by both state agencies and local authorities, while also fostering partnerships and collaboration among relevant stakeholders. This includes representatives from surrounding communities, government agencies, private sectors, and project owners to engage in constructive dialogues and seek mutually beneficial solutions.

The company has established measures to mitigate potential negative impacts on society, including monitoring, assessing, and tracking long-term outcomes.

1. Coordinate with relevant government agencies to disseminate information about the construction plan to the local community in vulnerable areas, informing them of potential impacts and preliminary pollution mitigation measures before commencing construction.
2. Avoid transporting construction materials or conducting any activities that may cause vibrations during nighttime hours.
3. Collaborate with local authorities in the construction area on a regular basis to facilitate convenience and prevent traffic congestion issues during urgent work hours.
4. Install traffic signs to warn project users, adhering to

the Department of Highways standards, along with installing lights or warning signals for better visibility of construction sites during nighttime.

5. Inspect and repair damaged road surfaces and drainage systems if there are signs of soil erosion and construction debris after construction.

The company also considers its role in community and social development to promote sustainability and resilience. It fosters social activities and strengthens communities through education, religion, sports, human resource development, employment promotion, and community development projects. The company supports the improvement of quality of life and well-being of society through consistent community relations activities. It believes that meeting the expectations and necessary needs of society will lead to sustainable business practices.

Furthermore, the company monitors and evaluates the impacts on the environment, economy, and society resulting from its activities through various channels for complaints and feedback, such as email, hotline, online media, suggestion boxes, or complaint forms. The company has addressed and resolved all complaints received in the past year through thorough investigation and corrective actions.

Key Item	The company is aware of the importance of its employees, who are key factors in driving the company's business. It has prepared itself to adapt to changes, both at the national level and in current global trends related to the development of thinking systems, work attitudes, and skills of employees. In the present, employees undergo continuous self-development due to changes that require them to constantly improve themselves.
Objective and Target	Employee Development Targets are as follows: 1. Provide 15 hours of training per employee per year by the year 2030. 2. Achieve a 100% pass rate for employee performance evaluations by the year 2025. 3. Train all targeted employees to achieve a 100% success rate by the year 2030.
Process	The company has developed policies related to employees, with specific departments assigned to oversee these matters. Clear frameworks for action and procedures have been established based on defined issues.
Indicator Project	1. The number of training hours per year reported as 15 hours per year per person. 2. Employees who meet the evaluation criteria at 100% 3. The rate of employees within the target group who have received training at 100% 4. Statistical summary and comparison per year.
Planning / Supporting 1	The company has established the "AREE Academy" to develop employee skills.
Objective	To support the development of employee skills, particularly in specialized areas such as machinery control.
Planning	In 2023, AREE Academy conducted employee training sessions ahead of schedule, and it continues to aim to become a training center for the general public by 2030.
Project Evaluation	Employees who have received skills training are able to perform their tasks correctly by 100%. The quality of understanding of the training content is assessed for employees. Employees' understanding has increased by 100%.

3.4.3 Sustainable Economy and Governance Implementation

The company believes that a crucial mechanism in driving the country's economy encompasses revenue generation, employment opportunities, and ensuring good corporate governance. Therefore, the company's board of directors has established a policy to oversee good corporate governance, delegating responsibilities to the management and internal departments. These entities play a pivotal role in promoting corporate social responsibility and good governance practices, enabling the company to sustainably create value for itself and society. This entails implementing efficient structures and systems for governance, monitoring, and performance evaluation. This ensures that all stakeholders adhere to the fundamental principles of good corporate governance.

Key Item	The company firmly believes that adhering to ethical principles and business morals is a fundamental cornerstone in enhancing and elevating good corporate governance. The importance of compliance at every level is paramount, as any failure to comply may have implications on the company's reputation, financial value, and legal obligations.
Objective and Target	Employees are expected to fulfill their duties with honesty, integrity, and a sense of responsibility, aiming to prevent or avoid any actions that may lead to conflicts of interest. They should also maintain confidentiality and refrain from using internal information for personal gain or to benefit others. The goal is for employees to adhere to the ethics manual completely, reaching a compliance rate of 100%, and to avoid any complaints related to business ethics.
Process	The company has a code of conduct regarding business ethics and morals, which is communicated to employees through the Human Resources department as part of the onboarding process. This aims to train employees, raise awareness, and emphasize the importance of ethics. A standard ethics manual is provided for all employees to acknowledge. Furthermore, the company facilitates an avenue for complaints through its website www.civilengineering.co.th to report instances of corruption or unethical conduct.
Indicator Project	Employees in the organization, 100% of them, are aware of and acknowledge the importance of ethics. The company is free from complaints from internal and external stakeholders regarding organizational ethics issues.
Planning / Supporting 1	The project aims to organize training courses on promoting ethics for all employees.
Objective	The company emphasizes and prioritizes the development of employees to instill ethical awareness, which is considered the heart of driving the organization. Training courses are designed to be aligned and correlated with each position's level, roles, and job characteristics within the organization, aiming to cultivate ethical consciousness.
Planning	Training on knowledge and understanding of ethics is conducted to raise awareness among employees and cultivate a sustainable growth mindset aligned with the organization. This includes adhering strictly to ethical principles.
Project Evaluation	The evaluation and criteria for summarizing employees' knowledge and understanding should align with their roles and responsibilities. The goal is to ensure that every employee achieves a 100% understanding of the ethics mentioned through training by the year 2030.

4. Management Discussion and Analysis (MD&A)

Consolidated Statement of comprehensive income summary table for the year ended December 31, 2021, to the year 2023.

Statements of comprehensive income	For the year ended December 31						Changed Increase (Decrease)	
	2021		2022		2023		2022 - 2023	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Revenues								
Revenue from construction services and sales of construction materials	5,029.89	99.35	6,048.00	99.23	4,872.06	98.73	(1,175.94)	(19.44)
Rental income	16.00	0.32	15.91	0.26	20.59	0.42	4.68	29.42
Other income	16.95	0.33	30.82	0.51	42.06	0.85	11.24	36.47
Total revenues	5,062.84	100.00	6,094.73	100.00	4,934.71	100.00	(1,160.02)	(19.03)
Expenses								
Cost of construction services and cost of sales of construction materials	4,530.00	89.48	5,681.38	93.22	4,507.52	91.34	(1,173.86)	(20.66)
Cost of rental	10.59	0.21	10.06	0.16	11.64	0.24	1.58	15.71
Administrative expenses	286.31	5.66	316.31	5.19	298.80	6.06	(17.51)	(5.54)
Total expenses	4,826.90	95.34	6,007.75	98.57	4,817.96	97.63	(1,189.79)	(19.80)
Operating profit	235.93	4.66	86.98	1.43	116.75	2.37	29.77	34.23
Finance income	1.30	0.03	1.94	0.03	4.62	0.09	2.68	138.14
Finance cost	(6.36)	(0.13)	(4.34)	(0.07)	(5.34)	(0.11)	(1.00)	23.04
Profit before income tax expenses	230.87	4.56	84.58	1.39	116.03	2.35	31.45	37.18
Income tax expenses	(38.20)	(0.75)	(20.10)	(0.33)	(22.11)	(0.45)	(2.01)	10.00
Profit for the year	192.67	3.81	64.48	1.06	93.92	1.90	29.44	45.66
Other comprehensive income: <i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i> Actuarial loss – net of income tax	-		(1.37)		-			
Other comprehensive income for the year	-		(1.37)		-			
Total comprehensive income for the year	192.67		63.11		93.92			
Basic earnings per share								
Profit attributable to equity holders of the Company	0.39		0.09		0.13			

Overview of Performance Results

The company and its subsidiaries had a total income for the year 2023 of 4,934.71 million baht, a decrease from the previous year of 1,160.02 million baht, representing a 19.44% decrease. The primary reason for this decrease was the reduction in income from construction services, while income from the construction material sales business, leasing business, and other income increased, accounting for 4.68% of total income. This increase was due to the rise in income from the stone mining business, which commenced operations in May 2022. Administrative expenses for the year 2023 amounted to 298.80 million baht, a decrease from the previous year by 17.51 million baht, or 17.51%, due to decreased depreciation costs resulting from more efficient management of machinery use and the sale of unused old machinery. Consequently, the company and its subsidiaries reported a net profit for the year 2023 of 93.92 million baht, representing a net profit margin of 1.90%, which is an increase in net profit from the previous year of 29.44 million baht, or 45.65%.

Revenue from Construction Services

The company and its subsidiaries earned income from construction services for the year 2023 amounting to 4,703.97 million baht, representing 95.32% of total income, a decrease of 1,192.13 million baht from the previous year, or 20.22%. This significant decrease in income was primarily due to reduced revenue from railway work and roadwork, which are the main types of work currently undertaken by the company group, accounting for more than 80% of the work. The main factors for the revenue decrease in the railway work and roadwork were due to problems in delivering the area for work commencement not according to plan and increased strictness in safety measures, especially in elevated road projects, affecting the work plan and timeline. However, income from construction services in the flood drainage and mitigation group continued to grow according to the plan, which are new projects that the company group has secured during the year.

Revenue from construction services categorized by work type	For the year ended December 31						Changed Increase (Decrease)	
	2021		2022		2023		2023-2022	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Roadwork	1,874.83	39.03	2,271.43	38.52	1,869.45	39.74	(401.98)	(17.70)
Railway work	2,020.11	42.06	2,837.53	48.13	1,878.45	39.93	(959.08)	(33.80)
Airport work	632.04	13.16	310.39	5.27	96.56	2.05	(213.83)	(68.89)
Drainage and flood mitigation work	73.59	1.53	242.56	4.11	717.01	15.24	474.45	195.60
Dam and reservoir work	130.87	2.72	53.59	0.91	20.13	0.43	(33.46)	(62.44)
Others ¹	71.83	1.50	180.61	3.06	122.37	2.61	(58.24)	(32.25)
Total revenue from construction services	4,803.27	100.00	5,896.11	100.00	4,703.97	100.00	(1,192.14)	(20.22)

Note: ¹ Other construction contract revenue includes pedestrian overpass construction, construction and relocation of manholes, cable ducting, and water pipes.

Sales of construction materials

The company and its subsidiaries had total construction material sales revenue of 168.09 million baht for the year 2023, which is 3.41% of the total revenue, an increase of 16.20 million baht from the previous year, or 10.66%. The primary reason for this increase was the rise in revenue from the sale of stone products under the concession held by CCSP (a subsidiary of CIVIL), which began operations in May 2022, resulting in increased revenue.

Revenue from sales of construction materials	For the year ended December 31						Changed Increase (Decrease)	
	2021		2022		2023		2023-2022	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Sales of construction materials	226.62	4.48	151.89	2.49	168.09	3.41	16.20	10.67

Note: ² Calculate the percentage of total revenue

Rental income

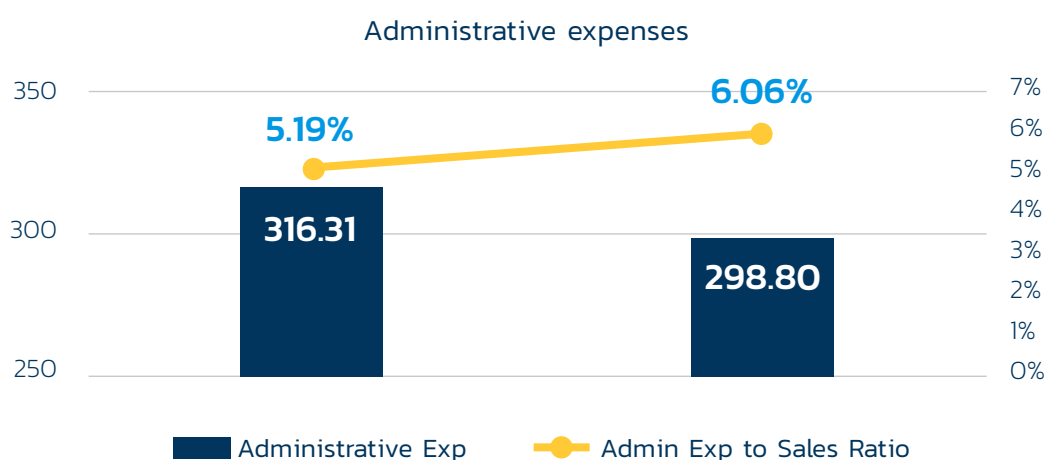
The company and its subsidiaries had rental income from office space rental and from renting out unused machinery to contractors for the year 2023, totaling 20.59 million baht, or 0.42% of the total revenue, an increase of 4.68 million baht or 29.42% from the previous year. This was due to the company adjusting the rental rates for office space according to the lease renewal terms and increasing the rental of unused machinery to contractors.

Rental income	For the year ended December 31						Changed Increase (Decrease)	
	2021		2022		2023		2023-2022	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Rental income and real estate services	15.88	99.25	15.71	98.74	16.66	80.91	0.95	6.05
Other rental income ³	0.12	0.75	0.20	1.26	3.93	19.09	3.73	1,865.00
Total rental income	16.00	100.00	15.91	100.00	20.59	100.00	4.68	29.42

Note: ³ Other rental income includes the rental of machinery, tools, and equipment

Other income

The company and its subsidiaries had other income totaling 42.05 million baht for the year 2023, an increase of 11.23 million baht from the previous year, or 36.44%. mainly from the sale of scrap materials from construction projects and profits from the sale of unused assets.



The company and its subsidiaries had administrative expenses totaling 298.80 million baht, a decrease of 17.51 million baht or 5.54% from the previous year. The main reason for this decrease was the reduction in depreciation expenses of assets used in business operations, especially the machinery used in construction. The proportion of time that machinery was used in construction increased. Additionally, selling old, unused machinery helped reduce expenses during periods when those machines were not in operation. However, the ratio of administrative expenses to total revenue increased from 5.19% to 6.06% in 2023, fluctuating with the decrease in total revenue.

Consolidated Statements of financial position summary table as of December 31, 2021, to the year 2023

Statements of financial position	For the year ended December 31						Changed Increase (Decrease)	
	2021		2022		2023		2023-2022	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Assets								
Current assets								
Cash and Cash equivalents	697.82	10.69	547.47	7.03	474.81	6.20	(72.66)	(13.27)
Trade and other receivables	617.56	9.46	647.42	8.32	321.83	4.20	(325.59)	(50.29)
Contract assets								
Unbilled receivables	2,573.32	39.43	3,580.58	45.99	4,023.67	52.51	443.09	12.37
Retention receivables	276.47	4.24	387.12	4.97	346.37	4.52	(40.75)	(10.53)
Inventories and construction supplies	205.40	3.15	217.14	2.79	230.46	3.01	13.32	6.13
Advance payment to contractors and deposit for purchases of goods	370.90	5.68	316.44	4.06	350.69	4.58	34.25	10.82
Other current financial assets	-	-	251.46	3.23	-	-	(251.46)	(100.00)
Other current assets	121.98	1.87	251.60	3.23	295.44	3.86	43.84	17.42
Total current assets	4,863.45	74.52	6,199.23	79.62	6,043.27	78.86	(155.96)	(2.52)
Non-current assets								
Restricted bank deposits	336.07	5.15	357.45	4.59	379.51	4.95	22.06	6.17
Investment properties	140.24	2.15	130.05	1.67	121.56	1.59	(8.49)	(6.53)
Property, plant and equipment	946.03	14.50	803.74	10.32	760.93	9.93	(42.81)	(5.33)
Right-of-use assets	117.77	1.80	135.47	1.74	123.34	1.61	(12.13)	(8.95)
Intangible assets	4.16	0.06	12.13	0.16	12.86	0.17	0.73	5.99
Deferred tax assets	25.14	0.39	46.13	0.59	56.45	0.74	10.32	22.38
Other non-current assets	93.46	1.43	100.73	1.29	165.44	2.16	64.71	64.24
Total non-current assets	1,662.86	25.48	1,585.70	20.37	1,620.09	21.14	34.39	2.17
Total assets	6,526.31	100.00	7,784.93	100.00	7,663.36	100.00	(121.57)	(1.56)

Statements of financial position	For the year ended December 31						Changed Increase (Decrease)	
	2021		2022		2023		2023-2022	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Liabilities and shareholders' equity								
Current liabilities								
Short-term loans from financial institutions	1,646.07	25.22	2,180.82	28.01	2,015.82	26.30	(165.00)	(7.57)
Trade and other payables	1,420.86	21.77	1,481.68	19.03	1,178.73	15.38	(302.95)	(20.45)
Current portion of lease liabilities	61.30	0.94	57.32	0.74	50.73	0.66	(6.59)	(11.49)
Current portion of long-term loans from financial institutions	0.29	0.00	-	-	-	-	-	-
Retention payables	214.98	3.29	273.23	3.51	318.15	4.15	44.92	16.44
Contract liabilities								
Construction revenue received in advance	11.32	0.17	16.20	0.21	-	-	(16.20)	(100.00)
Advances received from hirers	2,117.57	32.45	1,730.53	22.23	1,944.69	25.38	214.16	12.38
Income tax payable	10.98	0.17	8.37	0.11	7.68	0.10	(0.69)	(8.28)
Provision for liabilities arising from legal cases	48.02	0.74	49.66	0.64	49.16	0.64	(0.50)	(1.01)
Other current liabilities	26.82	0.41	71.69	0.92	36.13	0.47	(35.56)	(49.60)
Total current liabilities	5,558.21	85.17	5,869.50	75.40	5,601.09	73.09	(268.41)	(4.57)
Non-current liabilities								
Lease liabilities – net of current portion	107.15	1.64	97.45	1.25	87.62	1.14	(9.83)	(10.08)
Provision for warranty on construction projects	15.90	0.24	21.75	0.28	34.30	0.45	12.55	57.72
Provision for long-term employee benefits	72.37	1.11	75.91	0.98	80.09	1.05	4.18	5.50
Other non-current liabilities	0.58	0.01	0.58	0.01	60.59	0.79	60.01	10,346.55
Total non-current liabilities	196.00	3.00	195.69	2.51	262.60	3.43	66.91	34.19
Total liabilities	5,754.21	88.17	6,065.19	77.91	5,863.69	76.52	(201.50)	(3.32)

Statements of financial position	For the year ended December 31						Changed Increase (Decrease)	
	2021		2022		2023		2023-2022	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%

Shareholders' equity

Share capital								
Registered	700.00		700.00		700.00			
Issued and fully paid	500.00	7.66	700.00	8.99	700.00	9.13	-	-
Deficit on business combination under common control	(77.88)	(1.19)	(77.88)	(1.00)	(77.88)	(1.02)	-	-
Share Premium	-	-	698.53	8.97	698.53	9.12	-	-
Retained earnings								
Appropriated – statutory reserve	37.50	0.57	39.80	0.51	40.91	0.53	1.11	2.79
Unappropriated	312.48	4.79	359.29	4.62	438.11	5.72	78.82	21.94
Total shareholders' equity	772.10	11.83	1,719.74	22.09	1,799.67	23.48	79.93	4.65
Total liabilities and shareholders' equity	6,526.31	100.00	7,784.93	100.00	7,663.36	100.00	(121.57)	(1.56)

Assets

As of December 31, 2023, the company and its subsidiaries had assets totaling 7,663.36 million baht, a decrease from the previous year end by 121.57 million baht, or 1.56%. The decrease in assets mainly resulted from trade and other receivables amounting to 325.59 million baht due to improved efficiency in collecting receivables, and other financial assets (low-risk mutual fund investments) totaling 251.46 million baht, which the company sold to invest in machinery and equipment for construction and IT systems to improve project management efficiency. This is in line with the objective of raising funds through an initial public offering (IPO). Significant increases in assets include unbilled progress revenue from work not yet delivered, mainly from railway group construction projects, which have a longer average duration from completion to final acceptance compared to other construction projects. However, this duration is within the required timeframe, and after December 31, 2024, some of these projects have been progressively finalized and invoiced. The main components of assets as of December 31, 2023, include (1) unbilled revenue, (2) land, buildings, and equipment, (3) cash and cash equivalents, (4) bank deposits with restrictions, (5) advances to contractors and deposit payments for goods.

Liabilities

As of December 31, 2023, the company and its subsidiaries had liabilities totaling 5,863.69 million baht, a decrease of 201.50 million baht or 3.32%. The decrease was mainly due to repayments to trade creditors and other creditors, and short-term financial institution loans for construction project operations. Meanwhile, liabilities increased from advance payments received from clients for new projects secured during the year 2023. The main components of liabilities as of December 31, 2023, include (1) short-term loans from financial institutions, (2) advance payments from clients, (3) trade and other payables, (4) performance guarantee creditors.

Shareholders' equity

As of December 31, 2023, the company and its subsidiaries had shareholders' equity amounting to 1,799.67 million baht, an increase from the previous year end by 79.93 million baht or 4.65%. This was a result of the net profit for the year ended December 31, 2023, totaling 93.92 million baht, and the dividend payment for the year 2022 amounting to 13.99 million baht, leading to an increase in shareholders' equity.

Cash flow

The company and its subsidiaries generated net cash from operating activities amounting to 11.72 million baht, consisting of an increase in cash from company and subsidiary operations of 321.64 million baht, and a decrease in cash due to changes in working capital assets and liabilities of 309.92 million baht. The primary reason for the decrease in cash was due to an increase in unbilled revenue, as railway group construction projects have a longer duration from completion to acceptance compared to other construction groups. This duration is still within the planned timeframe, and after December 31, 2024, some of these projects have been progressively finalized and invoiced. The decrease was also due to repayments to trade creditors and other creditors, while cash increased from collections from trade receivables and other receivables, and advance payments from clients for new construction projects secured during the year 2023.

The company and its subsidiaries generated net cash from investing activities amounting to 174.80 million baht, from selling low-risk mutual fund investments totaling 252.78 million baht, reserved for investing in machinery assets and as working capital for business operations as per the purpose of the initial public offering (IPO). The company requested to extend the capital use period by one more year to December 31, 2024, to align with the investment plan in government construction projects expected to be bid according to the 2024 budget and for upgrading buildings and equipment during the year 2023. Cash was spent amounting to 87.47 million baht.

Additionally, cash was spent from financing activities amounting to 259.18 million baht, primarily due to the repayment of short-term debt obligations under normal lease agreements, resulting in a net decrease in cash for the Company group of 72.66 million baht.

Key Financial Ratios

Financial Ratios	Unit	For the year ended December 31,		
		2021	2022	2023
Liquidity Ratio				
Current ratio	Times	0.88	1.06	1.08
Quick ratio	Times	0.24	0.20	0.14
Cash flow current ratio	Times	0.15	(0.21)	0.00
Account receivable turnover	Times	8.76	9.59	10.10
Average collection period	Days	41.66	38.07	36.15
Inventory turnover	Times	30.09	26.94	20.19
Average sale (inventory) period	Days	12.13	13.55	18.08
Account payable turnover	Times	3.64	3.92	3.40
Average payment period	Days	100.17	93.07	107.44
Cash cycle	Days	(46.37)	(41.45)	(53.21)
Profitability Ratio				
Gross profit margin	%	10.01	6.14	7.63
Operating profit margin	%	4.34	0.93	1.53
Other profit margin	%	0.36	0.54	0.94
Cash to profit margin	%	3.26	(20.95)	0.25
Net profit margin	%	3.80	1.06	1.90
Return on equity	%	21.04	5.18	5.34

Financial Ratios	Unit	For the year ended December 31,		
		2021	2022	2023
Efficiency Ratio				
Return on assets	%	4.14	1.24	1.57
Return on fixed assets	%	40.78	32.72	30.65
Total assets turnover	Times	0.88	0.85	0.64
Financial Policy Ratio				
Debt to equity ratio (D/E)	Times	7.45	3.53	3.26
Interest-bearing debt to equity (IBD/E)	Times	2.35	1.36	1.20
Interest coverage ratio	Times	37.28	20.51	22.71
EBITDA to interest bearing debt	Times	1.11	(7.86)	0.10
Dividend ratio	%	249.14	21.71	14.90

(1) Current Ratio

As of December 31, 2023, the group had a current ratio of 1.08 times, a slight increase compared to 2022, resulting from the use of cash flows from operations to repay short-term loans from financial institutions and to pay off trade payable and other payable.

(2) Return on Equity

The return on equity (ROE) for the year ended December 31, 2023, was 5.34%, an increase from 2022 due to the company and its subsidiaries achieving a net profit of 93.92 million baht for the year 2023.

(3) Cash cycle

The cash conversion cycle for the year ended December 31, 2023, was (53.21) days, a decrease from 2022, which had a cash conversion cycle of (41.45) days. This change was due to the payment terms. Meanwhile, in 2022, payments for work progress were expedited to certain contractors to assist with their liquidity and enable continuous work.

(4) Debt to Equity Ratio and Interest-bearing debt to equity Ratio

As of December 31, 2023, the group had a debt-to-equity ratio (Debt to Equity Ratio) according to the consolidated financial statements of 3.26 times, a decrease from the previous year's 3.53 times. This was due to an increase in shareholders' equity from the net profit of 93.92 million baht in 2023 and after deducting dividend payments of 13.99 million baht, significantly increasing the shareholders' equity. Meanwhile, liabilities decreased due to the repayment of short-term loans from financial institutions and payments to trade creditors and other creditors. Additionally, the interest-bearing debt to equity ratio in 2023 decreased from 1.36 times in 2022 to 1.20 times in 2023. The company and its subsidiaries do not have any financial ratio maintenance requirements from borrowing from financial institutions.

5. General Information and Other Important Information

5.1 General Information

1) Information of the Company and Head Office Location

Name of the Issuer (In Thai)	: บริษัท ซีวิลเอนจิเนียริง จำกัด (มหาชน)
Name of the Issuer (In English)	: Civil Engineering Public Company Limited
Type of Business	: Construction and Sales of Construction Materials
Head Office Location	: 68/12 C.E.C. Building 7 th FL., Kampaengpet 6 Road, Ladyao, Jatujak, Bangkok 10900
Registration No.	: 0107563000169
Telephone	: 02-589-8888-9
FAX	: 02-589-8886-7
Website	: http://www.civilengineering.co.th/
Registered Capital as December 31, 2023	: 700,000,000 Baht
Paid-Up Capital as December 31, 2023	: 700,000,000 Baht
Par Value Per Price	: 1 Baht

2) Reference

Securities Registrar

Securities Registrar	: Securities Registrar Thailand Securities Depository Co., Ltd.
Head Office	: 93 Rachadapisek Road, Dindaeng Subdistrict, Dindaeng District, Bangkok 10400
Telephone	: 02-009-9000
FAX	: 02-009-9991

Auditor

Auditor	: EY Office Limited
Head Office	: 193/136-137, 33 rd Floor, Lake Rajada Office Complex, Rajadapisek Road, Klongtoey, Bangkok 10110
Telephone	: 02-264-0777
Fax	: 02-264-0789

Internal Audit

Internal Audit	: Dharmniti Internal Audit Co., Ltd.
Head Office	: 178 Dharmniti Building, Soi Permsap (Prachachuen 20) , Bang Sue Sub-district, District, Bang Sue Bangkok 10800
Telephone	: 02-596-0500 ext. 327

5.2 Other Information

Detail of the important Contract

1) Construction Contract

Construction Contract entered into by a consortium of companies ("Contractor") and various government agencies ("Client"), such as the Department of Highways, Department of Public Works and Town Planning, State Railway of Thailand, Department of Airports, etc. The essential provisions of the construction contract are as follows:

Securities	Securities of the Contract provided by the Contractor to the Client include Bank Guarantee Letters. Advance Payment Guarantee The Client agrees to make advance payment for the contract, with the Contractor responsible for providing a guarantee for the receipt of such advance payment. This may include bank guarantee letters or Thai government bonds, in the full amount of the advance payment, to the Client. Performance Guarantee The Client reserves the right to deduct payment from the amounts paid to the Contractor in each installment as a performance guarantee. However, the Contractor has the right to request a refund of the performance guarantee by providing bank guarantee letters or guarantees from capital companies, financial companies, or securities companies to the Client as alternative guarantees.
Wages And Payment	Wages Payment • In the case of lump-sum contracts, where payments are divided into work stages, payment shall be made upon completion and delivery of each stage of work, certified by the contract inspection committee. • In the case of lump-sum contracts with monthly payments, payments shall be made monthly based on the completed work, upon completion of the work and verification by the Client. Advance Payment and Deduction of Refund • The Client agrees to pay advance payment according to a certain percentage of the contract amount, to be paid when the Contractor provides a guarantee for the full amount of the advance payment to the Client. • Deduction of advance payment: The Client will deduct the advance payment from the contract amount as per the agreed percentage after the Contractor has provided a performance guarantee for the full amount of the advance payment to the Client. • In the event that the Contractor is required to make any payments to the Client for debts or contractual liabilities, the Client will deduct these payments from the installment payments to the Contractor first, and then from the advance payment. If there is any remaining advance payment after settling other liabilities, the Contractor must refund the excess amount to the Client.
	Deduction of Performance Guarantee In cases where the contract stipulates the deduction of a performance guarantee, the Client will deduct the amount specified in the contract percentage from the payment for that installment, as a guarantee for performance. Upon full deduction as specified in the contract, the Contractor has the right to request a refund of the performance guarantee by providing bank guarantee letters as an alternative guarantee. Price Adjustment Clause (K Value) In cases where the contract includes a price adjustment clause (K value), the parties agree to calculate the construction cost according to the contract terms using the multiplication formula with the Escalation Factor (K) for adjusting the construction cost that has changed.

The Completion Period.	The Completion Period. The work must be completed within the specified period, starting from the date of receipt of the notice to commence work. Extension of the Contract Period. In the event of force majeure or any other reason due to the fault or deficiency of the Client, or any other reason not attributable to the Contractor's legal responsibility, which prevents the Contractor from completing the work, the Contractor must notify the Client of the circumstances along with evidence in writing to request an extension of the timeframe within the specified period from the end of the event. The decision to extend the timeframe is at the Client's discretion.
Extra Work and Work Alterations (Reasons for Scope and Compensation Adjustments)	The Client may order additional work if it falls within the general scope of the contract objectives or at the rates specified for special work in the contract, or in cases where there is no agreement, the Client may determine a reasonable price.
Defect Liability Period	Upon completion of the work and its acceptance by the Client, if there are any defects or damages within the specified period of 2 years from the date of acceptance of the work, or any other period specified in the contract, which are caused by the Contractor's fault, improper material selection, improper or substandard workmanship, the Contractor must rectify within the specified timeframe from the date of written notification, at the Contractor's expense.
Liquidated Damages	In case the work cannot be completed within the agreed timeframe and the contract has not been terminated, the Client may impose daily liquidated damages at the rate specified in the contract.
Responsibilities of the Contractor	The Contractor shall be responsible for the following: 1. Accidents, damage, or injuries resulting from the Contractor's work. 2. Damages caused by the actions of the Contractor's employees or representatives, during work hours. 3. Any damage to the work caused by the Client's fault or force majeure. 4. Preparation of a work safety plan submitted to the Client before commencing work within the specified timeframe from the start of the contract. 5. Providing public access for inspection of the work. 6. Preparation of work progress reports for presentation to the contract inspection committee. 7. Installation of project signage with details as stipulated in the contract.
Rights of the Client After Contract Termination	After the termination of the contract, the Client retains the following rights: 1. To carry out the work themselves or engage others to complete the work until completion. 2. The right to use construction equipment, temporary structures, and various materials that have been constructed for the construction work. 3. The right to retain all or part of the guarantees as stipulated in the contract. 4. To deduct from the performance guarantee or any other amount when there is any damage exceeding the value of the work performance guarantee.
Other Condition	The Contractor is prohibited from subcontracting without written consent from the Client.

2) Granting Rights Agreement to Mr. Anuwat Lertchaiworagul and Nimit 317 Co., Ltd.

Mr. Anuwat Lertchaiworagul ("Mr. Anuwat"), who holds the position of Managing Director and Chief Operating Officer, has been collaborating with the group of companies for approximately 40 years. He holds shares in Nimit 317 Company Limited ("Nimit 317") in the proportion of 99.5 percent and also holds the position of sole director in Nimit 317, which is a company engaged in construction services similar to the business of the group of companies, such as roof construction, land leveling, and excavation.

The contracting company ("Contractor") entered into an agreement granting rights to Mr. Anuwat and Nimit 317 (Mr. Anuwat and Nimit 317 collectively referred to as the "Grantors") on January 1, 2567 B.E. (2024) to establish guidelines for preventing potential competition between the Grantors and the Contractor. Under the agreement, the Grantors agreed

to grant the Right of First Refusal to the Contractor for any construction projects. The essential terms of the agreement granting rights are as follows:

Contractor	The Company
Grantors	(1) Mr. Anuwat Lertchaiworagul ("Mr. Anuwat") (2) Nimit 317 Co., Ltd.
Scope of Agreement	Construction projects of all types, whether undertaken through direct contracting, subcontracting, or participation in any part or aspect related to construction projects with government agencies, private entities, or any organization, including entering into agreements, establishing consortiums, and/or acquiring shares in any legal entity for the purpose of undertaking the aforementioned activities, shall be referred to as "the projects"
Key of the Agreement	1) The contractor agrees not to submit bids, participate in auctions, respond to offers from any individual, or engage in any activities related to obtaining contracts for the said projects unless otherwise agreed upon in the contract. 2) In the event that the contractor receives any offers or intends to submit bids, participate in auctions, or engage in any activities related to obtaining contracts for the said projects, the contractor shall notify the company of such offers or intentions along with relevant details within 10 business days from the date of notification. 3) Upon receiving such offers or intentions as described in point 2), the company shall proceed to have its board of directors review and consider the offers or intentions. Mr. Anuwat shall not participate in the meeting, provide opinions, and/or vote on the matter. The audit committee for consideration of any conflicts of interest. The decision of the audit committee not to proceed with the project must be approved by all members of the audit committee. 4) In the event that the Company has notified its intention to proceed with the proposal received from the contracting party within the specified period, the contracting party agrees not to submit a bid, participate in the project auction, accept any offers from any individuals, or engage in any activities related to obtaining the aforementioned project. 5) In the event that the company (a) declines to proceed, or (b) fails to notify its intention to proceed with the offer received from the contractor within the specified period, or (c) has notified its intention but subsequently informs the contractor in writing of its decision not to proceed, the contractor is free to submit bids, participate in auctions, respond to offers from any individual, or engage in any activities related to obtaining contracts for the said projects. 6) In fulfilling the obligations under this contract, Mr. Anuwat agrees that his spouse, and/or children, and/or companies of the contracting party engaged in the business of executing projects, shall perform the terms of this contract as if they were bound by it. 7) The contractor agrees not to submit bids, participate in auctions, respond to offers from any individual, or engage in any activities (whether once or multiple times) related to obtaining contracts for the said projects, resulting in the total value of projects exceeding 70 million baht in each year.
Termination of Agreement	• When the Company is no longer registered as a company listed on the Stock Exchange of Thailand, or • When Mr. Anuwat no longer holds positions as an executive, employee, director, consultant, and/or any other professional service provider of the Company and/or its subsidiaries for at least 1 year after the termination of such status, or • When Mr. Anuwat's shareholding in Nimit 317 Company Limited or the group of companies engaged in project operations (both directly and indirectly) decreases by less than 50% continuously for more than 6 months and he is not a director of Nimit 317 Company Limited or the group of companies engaged in project operations (in this case, including the shareholding in Nimit 317 Company Limited or the group of companies engaged in project operations by his father, mother, spouse, and children)

**The control
agreement Process**

- Within February of each year after entering into this contract, Mr. Anuwat agrees to provide details of any projects received from the contracting party during the past calendar year (including being selected from bidding, entering into contracts, or any agreements with the project owners to carry out the projects, regardless of whether the contracting party has proceeded with the projects) to the Company's secretary or any other person designated by the Company, with minimum details regarding the project value, the client, and the date of acquiring the project.
- The auction team compiles a database of all potential construction projects in each calendar year ("Potential Construction Projects") that the group of companies is interested in bidding on, whether or not the group of companies actually bids on these projects, and submits this information to the Company's secretary.
- The Company's secretary will be responsible for collecting project information that Nimit 317 has bid on in the calendar year and verifying the completeness of project information received from Mr. Anuwat with the potential construction projects and the information on the potential winning bidder of the auctioned projects.

3) Contract for Business Engagement in accordance with the Quarrying Industrial Stone Mining License - English Translation

CCSP ("the Employer") has entered into a contract for business engagement in accordance with License No. 28034/15723 of CCSP to conduct industrial stone mining operations in Saraburi Province with Sila Sakol Saraburi Company Limited ("the Contractor"). The contract hires the Contractor to carry out operations related to rock face blasting, large stone excavation, production and processing into stone products, including setting prices for the sale and distribution of stone products in the capacity of a distributor, inventory management, and reporting.

The summary of the Contract as follow:

The Employer	CCSP
The Contractor	Silasakol Saraburi Co., Ltd.
The Objective and scope of the Contract	Engaging the contractor to carry out certain aspects of the limestone quarrying operations for cement industry and industrial limestone quarrying for construction industry as per the specified license number 28034/15723, with the scope of work as follows: 1) Blasting rock faces within the licensed area to obtain large stones (stone production). 2) Excavating large stones from the licensed area to transport them to the contractor's stone processing plant. 3) Processing and converting the stones into stone products (stone crushing). 4) Establishing pricing and distributing stone products (distribution agents). 5) Managing and controlling inventory of products obtained from the contracted work (inventory management). 6) Compiling and reporting data.
Term of the Contract	The contract renewal is the prerogative of the employer, and the employer has the right to adjust the compensation rate according to market conditions during that period, from January 1, 2022, to December 31, 2026.
Wages	The employer is entitled to deduct actual expenses incurred by the employer related to mining operations from the percentage of 80% of the revenue from the sale of the stone products each month, deducted from the total wages payable to the contractor.

**Key of the
Contract**

- The employer is the owner of all rights in the products resulting from the work under this contract.
- The employer shall ensure the presence of mining engineers licensed as required by law to supervise, inspect work plans, and control the contractor's rock blasting operations, as well as inspecting rock excavation, production, sales, and other aspects as specified in the contract, mining laws, and this agreement.
- The employer is responsible for expenses related to obtaining and maintaining the concession, including expenses incurred for obtaining and maintaining the concession, as well as funds for the welfare of the residents of Nong Ong village, such as compensation for psychological impacts, funds for improving the quality of life and health of the villagers.
- The employer is responsible for providing explosives to the contractor.
- The contractor shall perform the work assigned correctly and completely, in accordance with the terms, conditions, and responsibilities of the employer as specified in the concession and relevant mining laws.
- The contractor is responsible for conducting rock blasting operations to obtain large stones, for a minimum of 120 days per year, or as specified by the employer in the mining concession.
- In the event of force majeure, natural disasters, or any other events not caused by the contractor's fault, making it impossible for the contractor to fulfill the contract conditions, both parties agree to jointly consider and reach a fair agreement.
- The contractor is responsible for providing capital, skilled labor, materials, tools, machinery, and equipment of quality standards to perform the work under the contract.
- As a sales representative, the contractor must prepare accounting documents on behalf of the employer, collect payments from trade debtors, and be responsible for any bad debts that may occur.
- The contractor must compensate for damages resulting from accidents, losses, or risks arising from the contractor's work to the employer or any other person entitled to compensation.
- The contractor must be liable for damages, loss of benefits, and other expenses if the contractor's actions result in the cancellation, revocation, or suspension of the concession.
- The contractor must sell all types of stone products, with a total sales volume of not less than 300 million baht for the first 3 years from the start of the contract and not less than 500 million baht for the entire contract period. If the contractor fails to achieve the specified sales volume, the contractor must pay a penalty to the employer at a rate of 20% of the shortfall, and the employer has the right to reduce the contract fee and/or change the contractor as deemed appropriate.
- The contractor must not subcontract all or part of the work under this contract without written consent from the employer.
- The contractor must arrange for insurance coverage as required by law.

**Termination and
Cancellation of
Contract**

- If the employer finds that the contractor has manipulated sales figures, or engaged in any actions to cause the employer to suffer damages or receive less compensation than deserved, or violated any terms of this contract, and the employer has notified the contractor to rectify such actions in writing within 30 days or within a specified period, but the contractor fails to rectify them properly, the employer has the right to terminate this contract and claim damages from the contractor immediately.
- In the event of contract termination by the employer, the employer may proceed to perform the work itself or grant rights or hire others to perform the work. The employer and other contractors have the right to use machinery, equipment, tools, temporary structures for operations, and materials deemed necessary for the operation, as the employer deems appropriate.

Litigation

- a) In May 2020, a company sued a subsidiary, as the hirer of a sub-contractor, seeking to have the subsidiary make payment of construction costs amounting to Baht 3.5 million plus interest charge at 15% per annum, payable by the sub-contractor to such company. Subsequently, on 15 December 2022, the Civil Court dismissed the lawsuit filed against the subsidiary. In February 2023, such company requested that the appeal filing period be extended and the Civil court granted the extension of appeal filing period to 13 March 2023. At present, the plaintiff has not filed an appeal against the decision rendered by the Civil Court within the stipulated period. As a result, the case is deemed final.
- b) On 28 January 2021, a sub-contractor sued the Company for payment of damages from the construction work amounting to Baht 15.1 million, plus interest charge at 7.5% per annum. Subsequently, on 20 March 2023, the Civil Court dismissed the lawsuit filed against the Company. In July 2023, the sub-contractor filed an appeal with the Civil Court. Currently, the case is being heard by the Court of Appeal. However, the management believes that the Company will not incur any material liabilities as a result of the case, and therefore no provision has been set aside in the accounts.
- c) On 25 February 2023, a subsidiary acknowledged the lawsuit that on 7 October 2022, a state enterprise sued the subsidiary requesting the payment of damages to assets totaling Baht 0.9 million plus interest charge at a rate of 5% per annum. Currently, the case is being heard by the Civil Court. The management believes that the subsidiary will not incur any material liabilities as a result of the case, and therefore no provision has been set aside in the accounts.
- d) On 25 February 2023, the Company acknowledged the lawsuit that on 9 November 2022, a company sued the Company requesting the payment of damages to assets totaling Baht 3.3 million plus interest charge at a rate of 5% per annum. Subsequently, on 28 September 2023, the Civil Court dismissed the lawsuit filed against the Company. In December 2023, such company filed an appeal with the Civil Court. Currently, the Company requested an extension of the period to prepare a counterclaim against the appeal filed by such company. The request is scheduled for submission by 27 March 2024. However, the management believes that the Company will not incur any material liabilities as a result of the case, and therefore no provision has been set aside in the accounts.
- e) On 25 February 2023, a subsidiary acknowledged the lawsuit that on 20 December 2022, an individual sued the subsidiary requesting the payment of damage for construction totaling Baht 15.9 million plus interest charge at a rate of 5% per annum. Subsequently, on 31 January 2024, the subsidiary underwent a negotiation process in the court, where the individual agreed to accept humanitarian compensation totaling Baht 1.5 million and will enter into a settlement agreement, with the withdrawal of the lawsuit scheduled on 7 March 2024. The subsidiary has set aside a partial provision in the accounts.
- f) On 12 July 2023, a state enterprise sued the subsidiary requesting the payment of damages for construction totaling Baht 1.5 million plus interest charge at a rate of 5% per annum. Subsequently, on 10 October 2023 the state enterprise and the subsidiary negotiated and agreed to reduce the damages to Baht 1.0 million. On 24 October 2023, the subsidiary made an advance payment for damages of Baht 1.0 million. Subsequently, the state enterprise has withdrawn the lawsuit. Currently, the subsidiary has received the compensation for the damages from the insurance company.

5.4 Secondary Market

(N/A)

5.5 Regularly Contacted Financial Institutions (Specific to Debt Instruments)

(N/A)



02 Corporate Governance



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6. Corporate Governance Policy



The company is confident that good governance processes will facilitate effective and efficient management, ensuring accountability, transparency, and confidence among shareholders, stakeholders, and relevant parties. This will help the company achieve its strategies, objectives, and goals, ensuring adaptability to changes and sustainable long-term growth. Therefore, the company has established a Corporate Governance Policy aligned with the principles of the Corporate Governance Code (CG Code) issued by the Securities and Exchange Commission (SEC). This policy serves as a guideline for stakeholders to adhere to and implement, with regular reviews to ensure its suitability to the business environment and changes. The policy consists of 8 key practices as follows:

1. Awareness of the roles and responsibilities of the board of directors as organizational leaders who sustainably create value for the company.
2. Establishing the objectives and core goals of the company aimed at sustainability.
3. Strengthening an effective board of directors.
4. Recruiting and developing senior management and human resources management.
5. Promoting innovation and responsible business practices.
6. Ensuring appropriate risk management and internal control systems.
7. Maintaining financial credibility and disclosure of information.
8. Supporting shareholder participation and communication.

6.1 Overview of Corporate Governance Policy and Practices

6.1.1 Policies and Guidelines for the Board of Directors

The Corporate Governance and Code of Conduct Manual, the Board of Directors' charter and the sub-committee charters provide key provisions established by the Board of Directors in relation to directors, including the Chairman, and independent directors, for instance, the components and qualifications, appointments, terms of office, resignation, duties and responsibilities, board meetings, performance appraisal, nomination, remuneration and development of directors, among others.

1. Recruitment

1. Director Selection Criteria and Process

Directors are selected and appointed in accordance with the board's skill matrix, which is established by the Nomination and Remuneration Committee (the "NRC"). The matrix specifies a strategic mixture of qualifications; namely, knowledge, capabilities, work experience, and skills required of the board in meeting current and future challenges for the Company. In the process, the committee is responsible for ensuring that selection is non-discriminatory with respect to gender, race, religion, age and other personal characteristics. A board candidate must be able to undertake the range of duties and responsibilities required of a director in its entirety. Notwithstanding, candidates with prohibited characteristics concerning legal provisions are not considered for selection.

When a board position becomes vacant, the NRC screens for potential candidates to consider and nominate for the position. Selected candidates are presented to the Board of Directors or the shareholders' meeting, or both, for consideration and approval for appointment to the vacancy. In addition to the Director Pool as source of recruitment, minority shareholders are encouraged by the NRC to nominate candidates for the board position, provided the provisions of the Articles of Association as well as legal provisions are observed. To facilitate and protect the rights of the minority shareholders in the process, the nominated candidates are voted individually at the general meeting of shareholders for the agenda of director election.

Qualifications of a Company Director

A director must:

- 1) Meet set qualification criteria and display no prohibited characteristics concerning legal provisions, including provisions governing public limited companies and securities and exchange.
- 2) Exhibit a wide range of knowledge, expertise and on-hand experience in the particular business or industry in which the Company operates.
- 3) Exhibit leadership and the capacity to oversee the operation and ensure the effectiveness of the business.
- 4) Hold a board position in no more than 5 public listed companies that are registered with the Stock Exchange of Thailand (SET), including the Company board. Such position holding in other public listed companies shall not affect the ability to serve the Company board.
- 5) Exhibit integrity and ethical judgement and capable of devoting the level attention and effort required to perform the duties and responsibilities that come with the position.

Additional Qualifications of an Independent Director

In addition to qualifications of a director, an independent director must also meet the following set of qualifications and legal requirements put forth by the Capital Market Supervisory Board.

- 1) Holding no more than %0.5 of voting shares of the Company or its parent companies, subsidiaries, associates, major shareholders or controlling persons, whereby shares held by related persons of the independent director are also included.
- 2) Neither being nor ever was a director with involvements in the management of Company; an employee; a consultant with a regular salary; a controlling person of the Company or its parent companies, subsidiaries, associates, same-level subsidiary companies, major shareholders or of Company controlling persons; with the exceptions of involvements that have been ended for no less than 2 years. However, such prohibited characteristics shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the Company.

- 3) Neither being related by birth nor by legal registration as an immediate family member – i.e. father, mother, spouse, sibling, and child, including spouse of child – of the executives, major shareholders, controlling persons, or nominated executive candidates or controlling persons of the Company or its subsidiaries.
- 4) Neither being nor ever was a person having business relationship with the Company or its parent companies, subsidiaries, associates, major shareholders or controlling persons in any manner that may hinder impartial judgement. Neither being nor ever was a significant shareholder or controlling person of any person having business relationship with the Company or its parent companies, subsidiaries, associates, major shareholders or controlling persons of the Company. An exception is for the case that such relationship has been ended for no less than 2 years.

The term “business relationship” under paragraph one includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receiving of financial assistance including loans, guarantee, providing assets as collateral, and any other similar actions, which result in the Company or its counterpart being subject to indebtedness payable to the other party in the amount of %3 or more of the net tangible assets of the Company or Baht 20 million or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness occurred during the period of 1 year prior to the date on which the business relationship with the person commences.

- 5) Neither being nor ever was an auditor of the Company or its parent companies, subsidiaries, associates, major shareholders or controlling persons of the Company; and not being a significant shareholder, controlling person, or partner of the audit firm which employs auditors of the Company or its parent companies, subsidiaries, associated companies, major shareholders or controlling persons of the Company; unless the foregoing relationship has been ended for no less than 2 years.
- 6) Neither being nor ever was a professional service provider including a legal counsellor or financial advisor receiving service fee over Baht 2 million per year from the Company or its parent companies, subsidiaries, associates, major shareholders or controlling persons of the Company; and not being a significant shareholder, controlling person or partner of the aforementioned

professional service provider; with the exception of services that have been ended for no less than 2 years.

- 7) Is not a director appointed as a representative of a Board member, major shareholders or a shareholder who is related to the major shareholders.
- 8) Not undertaking any business of the same nature that competes with the Company or its subsidiaries; neither being a significant partner in a partnership nor a director who involves in the management, an employee, a staff member, an advisor with regular salary; not holding shares exceeding %0.5 of the total number of shares with voting rights of other companies which undertake businesses of the same nature that competes with the Company or its subsidiaries.
- 9) Not having any other characteristics that hinder impartial judgement with regard to the Company’s business operations.
- 10) An independent director shall serve the office no longer than 9 years.

Notwithstanding, the independent directors may be assigned by the Board of Directors to make a collective decision on its behalf in operational matters of the Company or its parent companies, subsidiaries, associates, same-level subsidiary companies, major shareholders or controlling persons of the Company.

Appointment of a Director

- 1) To be considered by the Board of Directors or shareholders, or both, depending on the circumstance, the appointment of a director must be in accordance with the Articles of Association and relevant legal requirements. The appointment process must be transparent and carried out in accordance with the appointment process put forth by the NRC. The presented information must also be sufficient, of which case the complete profile of the candidate must be produced.
- 2) In the event that directors retire from office, the election of new directors shall be proposed to the general meeting of shareholders, where the majority vote of the shareholders who attend the meeting and cast their votes shall constitute a resolution. In the event that cast votes result in a two-way tie, the chairman of the meeting can cast a tie-breaking vote as the decider.
- 3) In the event that a director position becomes vacant for any reason other than retiring from office, the vacancy is to be filled by a candidate selected and appointed by the Board of Directors the subsequent board of directors meeting unless the remaining term of office of the vacated position is less than 2 months. A placeholder shall serve out the remainder of the term. Such

appointment requires no less than three-fourths of the remaining directors to constitute a resolution.

- 4) In the event a prohibited business or commercial relationship becomes known of a serving director, whereby compensation received as a result of the relationship exceeds the limit specified under clause 4 or 6, Additional Qualifications of an Independent Director, a waiver may be approved by the Board of Directors to have the director in question continue on as usual should the board be of the opinion that such relationship affects neither performing responsible duties nor expressing an objective opinion. Notwithstanding, to be considered for a waiver in such a case, the following information regarding the prohibited relationship must be fully disclosed at the general meeting of shareholders, in the agenda that considers the election of such director.
 - a) The nature of business relationship or professional service that disqualifies the candidate or fails to meet specified criteria.
 - b) The reason and necessity to maintain or appoint the person as an independent director.
 - c) The Board of Directors' opinion regarding the appointment of the person as an independent director.

Terms of Office

- 1) A director holds office for a term of three years and may be considered for re-election upon term expiration.
- 2) An independent director shall serve the office no longer than 9 years.

Termination of Directorship

- 1) Notwithstanding the remaining terms of office upon commencement of the annual general meeting, a third of directors are to retire by rotation. Directors with the longest tenures in comparison are the first to vacate office, and eligible for re-election. In the event the total number of active members is indivisible by three, the number that is the closest to a third is applied.
- 2) Aside from retiring by rotation, a director is vacated from the office in the event of death, disqualification, or becoming known for prohibited characteristics according to resolutions passed at the shareholders meeting and legal provisions, namely, the Securities and Exchange Act, the law governing public limited companies, or a court order for imprisonment, with the exception of offenses committed by negligence, petty offenses or where the offender is deemed incompetent, quasi-incompetent or is bankrupt.

- 3) To resign from directorship, a director is required to submit a formal resignation letter to the Chairman of the Board. The resignation becomes effective on the date the letter is filed with the Company. The resigning director may also notify the Public Company Limited Registrar.
- 4) The shareholders' meeting may pass a resolution to remove any director from office prior to retirement by rotation, by a vote of no less than three-fourths of the number of shareholders who are present at the meeting and entitled to vote, with the aggregate number of shares not less than half of the number of shares held by the shareholders who are present at the meeting and entitled to vote.

Board Composition

- 1) The Board of Directors is composed of 15 directors with 5 independent directors. Aside from meeting the qualification criteria based on SEC regulations, all board members must be capable of carrying out responsible duties and expressing objective opinions on a regular basis.
- 2) In order to oversee and administer pertinent business aspects throughout the organization in accordance with good corporate governance, sub-committees, top executives and the Company Secretary have roles and duties to support the Board of Directors in performing their duties.
- 3) The board composition is based on the board's skill matrix, or a strategic mixture of collective qualifications, a wide range of skills, knowledge, competency and experience that are beneficial to the Company such as industry, information technology, finance and accounting, business, management, international relations, strategy, crisis management, law and corporate governance, regardless of age, gender and other personal characteristics.
- 4) The Board of Directors is composed of at least one non-executive director who is equipped with competency and experience in the particular business or industry in which the Company operates. At present, there are eight non-executive directors with such competency and experience.

Board Skills Matrix

Directors	CIVIL Board Skills Matrix					
	Engineering	Accounting/ Finance	Business Administration	Laws	strategy	Innovation / IT
1. Mr. Chaiwat Utaiwan		●	●		●	
2. Mr. Veerasak Kositpaisal	●		●		●	
3. Mrs. Yupin Garnjanawigai		●			●	●
4. Mr. Chainarong Chochai			●	●		
5. Assoc. Prof. Dr. Tanit Tongthong	●					●
6. Mr. Piyadit Atsavarisuk	●		●		●	●
7. Mr. Phanthanont Lertwattanasasikul		●	●			

The Board Nomination and Remuneration Committee may establish a succession planning policy for the CEO, senior management, and key positions in core functions to ensure confidence that the company selects and develops executives with the necessary knowledge, skills, experience, and attributes to drive the organization towards its goals. This includes setting criteria and methods for selecting successors, assessing performance, potential, and qualifications from within the company's personnel. It also involves presenting succession plans for consideration and approval by the Board of Directors (including every time there is a change) and reporting on the progress of key succession plans to the company's Board of Directors at least annually.

2 Development**Development of Directors and Executives**

- 1) Significant resources are allocated by the Board of Directors to promote and make available educational training programs and material to Company personnel under the Corporate Governance umbrella; namely, Company directors, audit committee members, executives, Company secretaries, among others. Such programs and material are provided by either expert in-house agencies or contracting third-party institutions with subject matter know-how.
- 2) An orientation is arranged for newly appointed directors and executives to include introducing the nature of business operations, information related to the Company's business, guidelines and corporate strategies for conducting the Company's business including the important documents pertaining to applicable rules and regulations, roles and responsibilities of directors or executives, and other information that is useful in performing their duties.
- 3) As consistent operational efficiency and development requires both comprehensive and practical understanding of complex operational environments among key decision makers, it is Company policy that directors and executives have access to a wide range of knowledge developmental programs. The leaders are encouraged to continually hone their skills and attend tactical seminars and training courses that are organized by subject matter experts; such as, the Thai Institute of Directors Association (IOD), the Stock Exchange of Thailand, and other institutions providing all-inclusive and hands-on training vital to development.

3. Assessment of the Board Performance

The Board of Directors requires an annual performance assessment of the Board of Directors and sub-committee in both of whole board or committee assessment and the individual self-assessment. The assessment form has an objective to use the results of assessment for developing the efficiency of performing duties of the Board and sub-committees.

Criteria and Process in Performance Assessment

The Company arranges for an annual performance assessment of the Board of Directors and sub-committees in both of whole board or committee assessment and the individual self-assessment. The assessment criteria are as follows:

Topic for the performance assessment of the Board of Directors

Performance Assessment of the Board of Directors as a Whole Board	Performance Assessment of the Board of Directors as an Individual
1) The structure and qualifications of the Board of Directors	1) Board qualifications
2) Roles, duties, and responsibilities of the Board of Directors	2) Preparedness duties of directors
3) Board meetings	3) Participation in meetings
4) Dynamic of the Board performance	4) Roles, duties and responsibilities
5) Relationship with the management	5) Relationship with the Board and management
6) Board Development	

Topic for the performance assessment of the sub-committees

Performance Assessment of the Sub-Committees as a Whole Committee	Performance Assessment of the Sub-Committees as an Individual
1) The structure and qualifications of the sub-committee	1) The structure and qualifications of the sub-committee
2) Sub-committee meetings	2) Sub-committee meetings
3) Roles, duties, and responsibilities of the sub-committee	3) Roles, duties, and responsibilities of the sub-committee
4) Sub-committee reporting	

Assessment criteria (as a percentage of the full score) are as follows:

Above %85	=	excellent
Above %75	=	very good
Above %65	=	good
Above %50	=	fair
Below %50	=	need improvement

The process of performance assessment is that the Company Secretary is in charge of distributing the annual assessment form to all directors for evaluation at the end of each year and preparing a summary of the results of assessment report to report to the Board of Directors for acknowledgement and consideration. The results of the performance assessment are summarized as follows:

- The Board of Directors (whole board and individual) had an average score at the level of “Excellent”.
- The Audit and Risk Management Committee (whole committee and individual) had an average score at the level of “Excellent”.
- The Nomination and Remuneration Committee (whole committee and individual) had an average score at the level of “Excellent”.
- The Executive Committee (whole committee and individual) had an average score at the level of “Excellent”.

Performance Assessment of the Chief Executive Officer

The NRC, or a designated director, is assigned by the Board of Directors to assess the performance of the Chief Executive Officer on a yearly basis. The assessment criteria consist of 2 parts as follows:

Part 1 Assessment of key performance indicators

Part 2 Assessment of general management efficiency

Assessment results are presented to the Board of Directors or the board designee to determine the appropriate remuneration for the Chief Executive Officer.

Remuneration of the Chief Executive Officer

It is Company policy to determine the attractive remuneration level for the Chief Executive Officer that is competitive and comparable with the industry peers. In so doing, the scope, scale and performance of duties and responsibilities, as well as the collective Company performance under the leadership and return for shareholders, are all considered.

Board of Directors' Meeting

- Board meetings are held at least once quarterly to review the Audit Committee Report and approve the financial statements on annual basis and quarterly basis, and to consider the Company's strategy and business plan, and any other matters as per its duties. The meeting dates are pre-scheduled at the end of the year before next year's meeting to allow directors sufficient time to manage appointments and be able to attend the meetings. In addition, the Chairman may convene additional meetings should an urgent matter arise to require the board's immediate attention.
- It is a Board policy to encourage independent directors and non-executive directors to meet at least once a year, or as often as possible, to share and discuss persisting matters and interests without the presence of the executives. Meeting minutes are presented to the Chief Executive Officer for acknowledgement.
- The Chairman of the Board considers and approves board meeting agendas, including those requested by directors. Board members, Chief Executive Officer and the Company Secretary can present agendas that need to be included before each board meeting.
- The Company Secretary submits the notice of the meeting, together with the meeting agenda and meeting documents, to the Board no less than 7 days in advance to allow sufficient time for the meeting material to be reviewed and studied before the important convention.
- There must be not less than half of the total number of directors attending the board meeting to constitute a quorum. In case the Chairman of the Board is not present or is unable to perform his duty, if there is a Vice Chairman, the Vice Chairman shall act as chairman of the meeting.
- The Director who has an interest in any matter shall leave the meeting and not be entitled to vote on such matter.
- The Company Secretary, or a designee, must be present at the board meeting and is responsible for recording the meeting minutes in writing, documenting, and submitting it to the board for approval before storing the documents for future reference.

4. Remuneration of Directors and Management

Remuneration of Directors

The Board shall consider that the structure and level of Board remuneration are appropriate to the responsibilities and incentivize the Board to lead the organization to achieve both short-term and long-term objectives. Setting Board remuneration, whether monetary or non-monetary, must be appropriate, linked to the value the company creates for shareholders, and aligned with the company's long-term strategies and goals. Factors such as experience, duties, scope of roles and responsibilities, as well as anticipated benefits from each Board member, shall be considered. Board members with increased duties and responsibilities shall receive appropriate adjustments in their compensation.

Remuneration of Management

The Nomination and Remuneration Committee is responsible for approving and recommending to the Board of Directors the structure of compensation aimed at incentivizing the CEO, senior executives, and other employees at all levels to align with the organization's objectives and main goals and to be consistent with the company's benefits in the long term, which includes:

- (1) Assessing the appropriateness of the proportion of salary compensation, short-term performance outcomes such as bonuses, and long-term performance outcomes such as Employee Stock Ownership Plans (ESOPs).
- (2) Establishing compensation policy considering factors such as the level of compensation relative to industry benchmarks and the company's performance.
- (3) Establishing evaluation criteria policy and communication for acknowledgment.

The Board of Directors shall approve the annual compensation of the CEO and senior executives and evaluate the performance of the CEO and other relevant factors.

5. Independence of the Board from Management

The company has developed charters for the Board of Directors, Board Committees, and CEO Handbook, which clearly delineate the roles and responsibilities of each party, to serve as a reference for duty execution. These charters are reviewed regularly, at least annually, including a review of the division of roles and responsibilities among the Board of Directors, CEO, and management, to ensure alignment with the organization's direction. The Board understands its scope of duties and delegates management authority to the management in letter and spirit. This delegation of duties does not diminish the Board's accountability. The Board regularly monitors and supervises management to ensure they fulfill their duties.

Matters overseen by the Board include:

- (1) Setting strategies, objectives, and key business goals.
- (2) Cultivating an organizational culture rooted in ethics and integrity, serving as a role model.
- (3) Overseeing the structure and practices of the Board to efficiently achieve strategies, objectives, and key business goals.
- (4) Recruiting, developing, setting compensation, and evaluating the performance of the CEO.

Matters collaborated with management include:

- (1) Setting and reviewing strategies, objectives, and annual plans.
- (2) Ensuring adequacy and appropriateness of risk management and internal control systems.
- (3) Setting appropriate authorities aligned with management responsibilities.
- (4) Allocating resources, development, and budgeting, such as HR management policies and IT policies.
- (5) Monitoring and evaluating performance.
- (6) Ensuring reliable financial disclosure and non-financial information.

Matters not handled by the Board include:

- (1) Execution of strategies, policies, and plans approved by the Board, which are managed by the management independently.
- (2) Matters prohibited by terms and conditions, such as approving transactions in which the Board has a vested interest.

6. Supervision of Subsidiaries and Joint Ventures

The Board shall provide frameworks and mechanisms for supervising policies and operations of subsidiaries and significant investee companies at appropriate levels according to each entity's operations. The company has established policies for supervising operations in subsidiaries and joint ventures of the company (please refer to the additional details in Section 2, Corporate Governance, Clause 8.1.3, Supervision of Subsidiaries and Joint Ventures), to guide executives, employees, and stakeholders in ensuring compliance for effective supervision and management of subsidiary and joint venture operations. This includes monitoring to ensure compliance with measures and mechanisms stipulated as if they were part of the company itself, in accordance with the company's policies, as well as laws governing public companies, securities regulations, relevant announcements, regulations, and criteria of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). This is to safeguard the investment interests of the company in such subsidiaries and joint ventures.

6.1.2 Policies and Guidelines for Shareholders and Stakeholders

Company policies and guidelines regarding shareholders and stakeholders cover important issues in accordance with Corporate Governance principles as follows:

Chapter 1: Shareholder Rights and Equitable Treatment of Shareholders

The Company recognizes and places importance on protecting the rights of shareholders. To ensure that shareholders receive basic rights equally, such as the right to attend and vote at shareholder meetings, the right to propose agenda items and/or nominate persons to be elected as directors at shareholder meetings, the right to express opinions and ask questions in shareholders' meeting, the right to receive dividends, the right to elect and remove directors and the right to determine directors' remuneration, etc., and not violate, create obstacles, or deprive shareholders of their rights and encourage all groups of shareholders to attend shareholders' meeting as well as facilitating the full exercise of voting rights and expressing opinions of all shareholders and investors with equality, transparency, and fairness as prescribed by laws, corporate governance policy and business ethics including efficient and effective management for the maximum benefits of the Company's shareholders.

Annual General Meeting of Shareholders 2023

The Company held the 2023 Annual General Meeting of Shareholders on 25 April 2023, via electronic means (E-Meeting) with the venue to control the meeting system at Meeting of Civil Engineering Public Company Limited, CEC Building, No. 6/12 Kamphaeng Phet 6 Road, Ladyao Subdistrict, Jatujak District, Bangkok

Prior to the Meeting

- (1) To provide shareholders an opportunity to exercise their rights to propose agenda items and nominate persons with suitable qualifications to be considered for election as a director of the Company in advance during the period of 1 October 2022 to 31 December 2022 prior to the 2023 Annual General Meeting of Shareholders. The Company announced the criteria and conditions on the Company's website at www.civilengineering.co.th and notify shareholders through the Stock Exchange of Thailand's notification system.
- (2) The 2023 Annual General Meeting of Shareholders invitation letter, in Thai and English, had been posted, first, on the Company's website no less than 30 days prior to the meeting date. The meeting invitation letter, along with a complete set of supporting documents specifying the objectives and opinions made by the Board of Directors, including the 2022 Annual Report, had been

distributed to shareholders in a QR Code format at least 21 days prior to the meeting date. Both events had been planned well in advance to allow sufficient preparation time for shareholders to thoroughly review and study the material for the annual event.

- (3) Proxy forms had been distributed, along with the meeting invitation letter, to allow shareholders who cannot attend the meeting in person to appoint a proxy to attend the meeting on their behalf including the information of independent directors had also been distributed to shareholders for consideration in granting a proxy to the independent directors to attend the meeting on their behalf and encourage shareholders to use a form of proxy that allows shareholders to determine the direction of voting and can exercise the right to vote to elect directors on individual directors.
- (4) Question submission forms had been distributed in advance, along with the meeting notice, to allow shareholders to submit questions or express concerns for meeting agendas in advance.
- (5) Institutional investors had been encouraged to attend the shareholders' meeting and had been contacted in advance to coordinate and prepare proxy forms before the meeting date in order to facilitate registration for the shareholders' meeting.

The 2023 Annual General Meeting of Shareholders

- (1) Technology and a barcode system was adopted to facilitate registration, vote counting, and score display with real time and accurate processing.
- (2) Shareholders are provided 2 hours prior to meeting commencement for attending the meeting. Late shareholders that arrived and registered after the meeting had started could still vote for agendas that were still being considered, not yet voted on or the votes had not been counted, yet. Late shareholders would be included in the quorum from the first attended agenda onward.
- (3) Shareholders were granted a number of votes according to the number of held shares. One share was entitled to one vote and votes separately for each agenda including voting the director election agenda on individual basis. A vote auditor was assigned to inspect the vote counts in the meeting.
- (4) There are 7 directors attended the meeting, along with Company auditors and legal advisors. The Company Secretary announced the number and proportions of shareholders attending the meeting, the number of assigned proxies, voting practices, and the vote count method from the beginning of the meeting. The chairman then commenced the meeting and arranged for the shareholders to vote according to the agenda specified in the meeting invitation letter. No additional agenda

was added to the meeting other than those specified in the meeting invitation letter. The meeting was held in accordance with the Articles of Association, where shareholders had equal rights to inquire and voice opinions in appropriate agendas and receive straight and sufficient responses in return.

- (5) To voice concerns and comments, the shareholders assessed the quality of the meeting by answering provided assessment forms. The feedback was used to improve efficiency and transparency of the meeting for the interest of the shareholders, first and foremostly.

After the Meeting

- (1) The meeting resolutions, together with the vote counts of each agenda, were publicised in the evening of the same day through the Stock Exchange of Thailand's notification system and the Company's website.
- (2) The meeting minutes was publicised in complete detail within 14 days after the meeting, including meeting resolutions, vote counts, and inquiries and questions made by shareholders in each agenda. The shareholders were notified through the Stock Exchange of Thailand's notification system and on the Company's website.

The Company has a policy of treating all shareholders equally without discrimination and in accordance with legal requirements, corporate governance policy and business ethics, the important guidelines are as follows:

- (1) To keep key personnel informed and to guide best practices and professional conduct in key operational situations, pertinent policy and standard operating procedures (SOPs) are put forth and announced, regularly. SEC rules and regulations and the Company Code of Conduct both establish provisions that govern authorized and unauthorized access to classified information that lead to insider trading, and conflicts of interest incurred by connected parties with connected stakes, either between Company staff or with an affiliate or partner. Serious punishment and consequences await involvement of such nature for personal gains or the gain of a connected party. The Code of Conduct and related SOPs are listed in detail in the Corporate Governance and Code of Conduct Manual, where the e-version can be downloaded at any time on the Company's website. No violation of the nature took place with regards to Company directors and executives throughout fiscal year 2022.
- (2) No financial assistance is made available to any person or juristic person other than a subsidiary.
- (3) An Investor Relations Unit is in place to serve as a communication channel for all stakeholders; namely, significant and minority shareholders, institutional investors and analysts, to submit inquiries, suggestions,

comments or requests or provide additional information. The unit can be reached directly via email at ir@civilengineering.co.th or by phone at 02 589 8888

- (4) Company measures and procedures are in place to govern the approval of connected transactions in accordance with SEC and SET legal provisions pertaining to connected parties and connected transactions. Connected transactions that are authorized by the Board of Directors or the management are always conducted in a manner that is transparent, fair, at arm's length, and takes account of price levels and general trading conditions.

Chapter 2 Roles of Stakeholders and Business Development for Sustainability

(1) Corporate Governance and Code of Conduct

As patrons with vested interest in the performance of the business, the Company respects and values all individual and group stakeholders. Guidelines for Corporate Governance and Code of Conduct are in place, moreover, to maintain the interest of different groups with the most serviceable approach possible. Applicable administrative policies and guidelines under the Corporate Governance and Code of Conduct body can be summarized as follows:

Shareholders

Business operations are conducted with honesty, transparency and fairness to all shareholders in the Company's best interest to maintain a stable and sustainable growth with good returns for shareholders in the long run.

Employers (clients) Customer must comply with relevant laws and standards, taking into account health, safety, ethics, and the protection of the employer's data. They must also track and measure employer satisfaction for product and service improvement purposes, as well as conduct advertising and public relations responsibly to avoid misunderstandings or exploitation of the employer's misinterpretation.

Employees

- The Company places great importance on staff training and development to ensure of work efficiency and their abilities to grow in the chosen career path. Career development is a progressive preparation for management in rotational positions.
- A succession plan is in place to prepare successors to key organizational positions. Successors are assessed for readiness, where results are used to design individual developmental plans in preparation of the succession. This better prepares the Company for business expansion, organizational change, and

replacement of future retirees. The plan is reviewed regularly, every year.

- Safety and health in the workplace are amongst the top on the Company's list of priorities. To circumnavigate unnecessary occupational risks, accidents and injuries that come with hazardous work environments, including exposure to harmful substances; the "Occupational Health and Safety and Workplace Environmental Management Policy" and the Occupational Health and Safety and Workplace Environmental Management Committee as well as the occupational safety officers at supervisory level and executive level were established to ensure that industry safety standards are met. In addition, the Health and Safety Manual is put in place for employees to follow, with helpful advice, guidelines, and procedures, along with key rules and regulations included in the manual. Employees can join health and safety campaigns held by relevant governmental agencies that take place on an ongoing basis
- An employee engagement survey is conducted regularly to learn about the factors that contribute to employee satisfaction and loyalty to the organization. Survey results are analysed and applied to potential areas of improvement.
- Human capital is the most important asset in any organization. To retain this asset, a policy is in place to provide competitive remuneration and welfare packages. Offers are based on many factors, both internal and external. Internal factors are for instance, expertise, educational and professional background, duties and responsibilities, as well as performance and professional contribution in accordance with set objectives, among others. External factors are also reviewed; for instance, industry standard and ongoing rates offered in comparable positions at comparable companies. Both aspects considered, a competitive rate is offered to retain and motivate employees to march towards future goals with the Company. Guidelines for annual salary adjustment take into consideration increased responsibilities, inflation, and changes in market conditions, among other factors. A provident fund is also included in the benefit package, along with other medical, life and accidental insurance policies, to serve as long term savings and a source of income after retiring.
- Salary increase is considered once a year, where annual performance assessment results serve as the basis for consideration. Key Performance Indicators (KPIs), nevertheless, are used as the principal basis to assess both current professional performance (short-term) and performance in accordance with corporate strategy in the long term.

- By linking remuneration to short term and long-term Company performance, assessment is consistent with outcome-based principles as the overall organizational competitiveness correlates directly with human resource capacity. This is an industry standard followed by comparable leading organizations. The Company also offers a competitive variable bonus scheme where bonus amounts depend on Company performance (for staff in department level management and above) to motivate teamwork and team efforts to progress towards established organizational objectives.

Suppliers and Creditors

- Business partners or suppliers, creditors and co-signers are treated fairly and with respect, where all agreements are honored and followed. Company debts and loans are paid according to the conditions specified in the agreement. In the event where a condition cannot be met, the Company will promptly notify the creditor to find common grounds and mutual solutions.
- Procurement Policy is in place to provide guidelines for the approving authority and setting budget approval limits, and to ensure operations are carried out in a systematic fashion that is effective, transparent and in accordance with Corporate Governance.
- Special attention is allocated to the selection of suppliers. The qualification criteria and selection process are as follows:
 - 1) Have a solid financial history and the potential to grow with the Company over the long term.
 - 2) Produce or sell quality products that are in demand and can be inspected for quality.
- The “Supplier Code of Conduct” is established to ensure that the suppliers conduct their business in a manner that is respectful of human rights and responsible for the respective society, community, as well as other traders in the supply chain. Sustainable Business Practices seminars are organized annually to communicate with suppliers the sustainable business policies, pertinent body of knowledge and the importance of preparation, consistency and maintaining a good relationship with all parties.

Competitors

It is Company policy to conduct business in a manner that adheres to international rules and regulations that guides trade competition fair play. Guidelines are in place as follows:

- 1) Operate business according to international legal frameworks for trade competition fair play.
- 2) Refrain from acquiring confidential information of competitors by dishonest or inappropriate means.

- 3) Refrain from any unlawful, unethical, or disrespectful engagement with competitors in an attempt to cause harm or damage in one way or another.

Social and Environmental Responsibility

The Company realizes the importance of corporate social and environmental responsibility. All stores are encouraged to operate in a way that takes respective communal capacities into account, as well as the underlying ecosystem to which it depends. The Company also supports participation in various public activities in the immediate community and contributes to the development of social and environmental education. In addition, policies and guidelines pertaining to energy usage, energy efficiency applications and waste management are established and reinforced.

(2) Monitoring of Compliance and Whistleblowing

It is the duty and responsibility of all employees, from top to bottom, to strictly adhere to the Corporate Governance Policy. The Company relies on the supervisory capacity of leaders throughout the organization to ensure that guidelines are acknowledged, understood, and complied. Their ability to provide practical guidance to all team members in the immediate line of command, nevertheless, is a top priority.

Whistleblowing Policy

Whistleblowing procedures and channels are in place for staff to submit a formal complaint and report unprofessional conduct. The process starts with the filing of a complaint, ongoing investigation and reaching a conclusion. Confidentiality is provided by the non-disclosure clause to encourage whistleblowers, stakeholders, witnesses and involved parties to come forth, where they may otherwise be discouraged or at risk of retaliation or threats. Notwithstanding, the behavior being reported must be a violation of the Code of Conduct or the Anti-Corruption Policy established in Company Corporate Governance and Code of Conduct Manual. The manual clearly defines main areas of misconduct; for instance, connected transaction, unauthorized access and disclosure, insider trading, as well as unlawful financial undertakings, such as, embezzlement, corruption, and fraud, among other wrongdoings. The Company has published such measures in the Corporate Governance and Code of Conduct Manual, Anti-Corruption Policy and the Company's website.

Whistleblowing Channels

1. Submitting complaints and grievances directly to:
 - Commanding officers at all levels
 - Human Resources Managers
 - Company Secretary
 - Audit and Risk Management Committee
 - Board of Directors

2. Email to Audit and Risk Management Committee
company_secretary@civilengineering.co.th
3. By mail, sent directly to the Audit and Risk Management Committee.
Civil Engineering Public Company Limited.
68/12 CEC Building, 7th Floor Kampaengpet 6 Road,
Ladyao, Jatujak, Bangkok 10900

Whistleblowing Process and Management

Complainants can report issues through the aforementioned channels. The company supports complainants in disclosing their identities so that the company can contact them for further details, progress reports, and factual clarifications. However, complainants have the option not to disclose their identities if they believe that disclosure may jeopardize their safety. Upon receiving a complaint, the company will consider appropriate actions or refer the matter to relevant individuals, considering independence in addressing the content or issues of the complaint, to conduct fair, transparent, and accurate fact-finding. Furthermore, the company will monitor progress to ensure that appropriate actions are taken concerning the received complaint.

False Allegation with Intent

In the event that reported misconduct is proven to be a baseless or false allegation with the intent to misrepresent facts in order to offend or disgrace the accused, the responsible whistleblower is thereby deemed a slanderer guilty of defamation with disciplinary action or punishment, or both, in accordance with the Company Code of Conduct and the terms of law.

Whistleblowing Protection

Whistleblowers and related parties can expect to receive appropriate and fair protection without fear of work-related changes, such as work location, position, job description, suspension, environment, intimidation, interference with work, termination of employment or any other actions taken by the Company that is unfair to the whistleblower or related parties. Complaint-related information is confidential except for when disclosure is required by law.

All parties related to or involved in an undergoing whistleblowing investigation must honor the confidentiality of the case and refrain from disclosing or sharing any information about the case to any party that is not involved with or related to the case. Disclosure of such information may only take place when required by law. On the other hand, failure to comply with the non-disclosure clause or intentional breach of confidentiality can result in legal or disciplinary action, or both, depending on the case.

Disciplinary Action

Disciplinary action is enforceable against Code of Conduct violation and is taken seriously. The Company Code of Conduct is communicated to employees to promote work ethics awareness across the organization. Information gathered from complaints and closed cases are analysed for knowledge that can be applied to enhance policy and preventive measures in the working environment.

(3) Anti-Corruption Policy

The Company realizes the importance of and is committed to conducting business with honesty, integrity, transparency, and fairness under the principles of good corporate governance, code of conduct and international practices. The Company understands corruption will affect the reputation and confidence of investors, business partners, and customers of the Company. It is also an obstacle to the sustainable growth of the Company and economic development of the country.

The policy is determined and reviewed regularly by the Board of Directors and supplies in detail (Appendix 5) the protocol to circumnavigate risky areas. Directors, Managements, and staff across the board are required to acknowledge, study, and strictly follow. Disciplinary action is taken against violation or failure to comply with the Company Code of Conduct. The maximum penalty can result in termination of employment or any effective contract. Disciplinary action imposition is exempt from an alleged person under allegation that denies corruption despite, however, the case in question results in the loss of business opportunity. Cases that violate legal provisions are carried out in a court of law.

(4) Intellectual Property Policy and Guidelines

Intellectual Property Policy and Guidelines are specified in the Corporate Governance and Code of Conduct Manual as follows:

- Observe the Intellectual Property Law and refrain from assisting or taking part in intellectual property or copyright infringement. Necessary steps are taken swiftly to ensure that access to the source of the alleged infringement is terminated.
- Steps are taken in accordance with Company rules and regulations pertaining to disciplinary action. Personnel under allegation for alleged infringement are promptly notified of the actions being taken.

(5) Human Rights

Inalienable freedom and privileges are granted to every person by birth. To protect and support a non-discriminatory corporate culture, it is Company policy to promote awareness of intrinsic values across organizational staff; namely, dignity, fairness, equality, respect, and freedom. In extension, customers,

stakeholders, and partners alike are to be treated with respect to protected characteristics. It is also Company policy to avoid undertakings that violate human rights, such as forced, child, or undocumented foreign labor, including discrimination, notwithstanding such engagements are also illegal.

(6) Conflict of Interest Policy

As the integral part to preventive measures against conflicts of interest, supervisory guidelines, and capacity work in tandem to the utmost effect. The Corporate Governance and Code of Conduct Manual lays the groundwork to realize the Company Code of Conduct and provides the whys and wherefores of Corporate Values; namely, integrity, transparency, and fairness. The stakeholder mobilization strategy and stakeholder engagement protocol are clearly stated and outlined in the manual, with individual phases and associated steps to take to circumnavigate duties with potential risk. The Company also established guidelines and communication for directors and top executives to report their vested interests and for Management and employees of the Company and its subsidiaries to declare their conflicts of interest, as well as guidelines for connected transactions.

Reporting on Declaration of Interests

The Company has determined that directors and executives are responsible for reporting to the Company and aware of their own or related persons' interests according to the Notification of the Capital Market Supervisory Board, Tor Jor 22009/ on the Report on Vested Interests of Board of Directors, Executives, and any Related Persons. The first declaration form must be submitted within 30 days after the day of taking office at the Company, whereby the report is prepared as of 31 December of every year. Changes to declared items are to be reported on a quarterly basis, if any. The Company Secretary oversees gathering individual declaration forms to produce a collaborated Conflict of Interest Report and delivering a copy to the Chairman of the Board and the Chairman of the Audit Committee. The report is to be used for internal purposes only.

Declaration of Conflicts of Interest

All full-time employees of the Company and its subsidiaries; and part-time employees whose responsibilities involve suppliers, distributors, customers, contractors, and service providers are required to declare their conflicts of interest on a yearly basis through means and as per the Company's instruction. Changes to declared items must be immediately reported. New employees are required to declare the information within 7 working days after the first day of work with the Company. This is, mainly, the basis of consideration to work around potential conflicts of interest and connected parties. This allows the Company to avoid risky work appointments and assignments that could otherwise result in complaints, revoked privileges, or reassignments.

Connected Transaction

In the event a connected transaction is necessary, strict compliance to applicable rules and regulations is required. A connected transaction under normal trading conditions must always comply with the principles approved by the Board of Directors and must be treated in the same way as other transactions undertaken with third parties, considering the best interests of the Company as the primary concern. Any stakeholders involved in a connected transaction with conflicts of interest must be identified and withdrawn from the approval process.

Transactions that do not meet the criteria for a normal trade must be reviewed and considered by the Audit Committee before being presented to the Board of Directors or shareholders (if any), depending on the size of the transaction, for approval. The Company strictly complies with established rules and guidelines for disclosing relevant information in its entirety.

(7) Inside Information and Confidentiality

The Company has supervision over the use of inside information in written in the Code of Conduct regarding the confidentiality and use of inside information. To achieve equality and fairness for all shareholders and to prevent directors, executives and related employees are prohibited from trading in the Company's securities. or seek illegal benefits from using inside information.

The Company is a listed company on the Stock Exchange of Thailand. Therefore, it is an important policy to ensure equality and fairness to all shareholders. Inside information or news that has not yet been disclosed to the public are considered as internal information used in business operations and confidential information of the Company and if it is revealed to the public, it will have an impact on the Company.

To ensure that sensitive information is released to outsiders in a manner that safeguards hard earned relationships and reputation, regulatory measures and control systems are put in place to prevent and manage classified information. Company personnel are to strictly comply with established rules and guidelines pertaining to confidentiality and inside information and refrain from using such information for personal gain or the gain of a related party, either during or after employment.

Inside information that should be safeguarded against uncoordinated or unauthorized disclosure can include a wide range of material, for instance, performance information, trade agreements, financial information, ongoing court proceedings and legal documents, and survey results. This

also includes any information that may affect Company image, for instance, land acquisition, employee profiles, human resource figures, passwords and access to classified sources or information, among others. Notwithstanding, if it is revealed to the public, it will have an impact on the Company, employees, business partners, customers, etc.

Protocol

1. Company personnel are to safeguard inside information and documents that cannot be disclosed to outsiders as it could lead to unlawful exploitation for self-interest or to the interest of competitors or affiliates, namely information that can affect the stock price, trade secrets, or any inventions where the copyright belongs to the Company.
2. Company personnel are not authorized to use inside information for personal gain or the gain of others.
3. Company personnel with authorized access to personal data must protect the data from unauthorized access and usage and can only use such data for authorized work purposes. Personal data may be used with the owner's approval for the purpose it is approved for, only, of which case must strictly comply with the rules and regulations defined in the Personal Data Protection Act B.E. 2562 as well as Company personal data protection policy.
4. Company personnel may never use personal data for any purpose other than authorized work purposes. In the event where clarification is needed concerning data applications in the prescribed operation, advice from the Data Protection Officer (DPO) is required and must be obtained immediately.
5. Standard operating procedures (SOPs) and control systems must be put in place to effectively manage inside information within departments and sub-units to prevent sensitive Company information from being disclosed to unauthorized parties prior to the formal release. In so doing, such measures can serve as an integral part of the overall risk management and cybersecurity infrastructure.
6. It is Company policy that information related to partners and partnership agreements are inside information and cannot be disclosed to an unauthorized party without further approval from the Company or the contracting partner.
7. Company personnel must not disclose inside information either during or after their employment.
8. For inquiries about inside information or information that one is not authorized to give, the inquirer is to be directed to the authorized or responsible unit to make a formal request for such disclosure. This allows the authorized unit to review and document the request, handle disclosure in a safe and considerate manner, as well as

sensor unnecessary disclosure and provide consistent information to all approved inquirers.

9. Leaked inside information or rumors of false or incomplete information must be notified to the immediate supervisor, immediately, for management to evaluate the situation and consider public clarification.

Trading Company Securities

Directors, executives, and employees have their right to trade Company securities. By exercising the right, the directors, and executives, including their spouse and minor children, are required to report and disclose the change of their Company securities holding to the supervising agency and to the Board of Directors in accordance with specified requirements on a quarterly basis.

As a measure to prevent conflict of interest and insider trading, all Company personnel, as well as the immediate family members, of whom duties involve accessing inside information are required to refrain from trading Company securities and related transactions at least 1 month prior to the public disclosure of the Company's financial statements. A formal letter requesting such cooperation is distributed by the Company Secretary well in advance.

Non-Disclosure Agreement

Management, employees, and related outsiders involved in an ongoing project that has not yet been formally disclosed to the public must sign a Non-Disclosure Agreement to acknowledge the sensitive matter and prevent the mishandling of such classified information or disclosing such information to unauthorized parties.

In this respect, the guidelines for professional ethics are established in the Company Code of Conduct to put in place a corporate standard of behavior expected of professionals in the workplace at all times. Unprofessional personal traits and unproductive practices that must be discouraged in the workplace, as well as unethical undertakings that may result in disciplinary action or even court proceedings, are also specified in the document. The unauthorized access and disclosure of inside information and insider trading, by any means, is a violation of the Company Code of Conduct and subject to investigation and possible disciplinary action or even a lawsuit. Punishment is considered on a case-by-case basis and can be harsh or lenient according to the nature of the offense and damage caused to the Company and related parties.

Chapter 4: Disclosure and Transparency

- (1) In addition to information disclosed through the SET, the Annual Registration Statements / Annual Report (Form 56-1 One Report), the Company information is also

disclosed on the Company's website in Thai and English. All information disclosed by the Company is updated regularly.

- (2) The Board of Directors places great importance on disclosing Company financial and non-financial information that is reliable, transparent, and sufficient, and in accordance with specified rules and regulations. As such information is required by decision makers and traders on a regular basis; namely, stakeholders, analysts and the general public from domestic and international sources alike, the Company has set up the Investor Relations / Company Secretary that is responsible for communicating and disseminating information, in accordance with criteria set by the SET and the SEC offices. Aside from the information reporting systems of the SET and of the SEC and the Company's website, Company information is also disclosed through various communication channels, in Thai and in English, through both conventional and online sources. Conventional sources are magazines, the media and news reporting agencies, among others. Online sources are social media, press releases, analyst meetings, virtual meetings, text messages and emails, among others. In 2023, channels for disseminating and communicating Company information were adjusted in accordance with COVID-19 countermeasures to cope with the ongoing pandemic.
- (3) A Report on the Board of Directors' Responsibilities for Financial Statements is put forth by the Board of Directors, along with the Auditor's Report in the Annual Report.
- (4) The roles, duties and responsibilities of the Board of Directors, Sub-committees, Chairman of the Board, and Chief Executive Officer, as well as Director's Terms of Office, Board of Directors Meeting and the Remuneration Policy for Directors and Management are disclosed as detailed in "Section 7.1: Management Structure; and 7.2 Board of Directors' Information.
- (5) Directors and executives are obligated to report Company securities trades or transfer, including such transactions of their spouse and minor children, to the SEC in accordance with Section 59 of the Securities Act as well as to the Board of Directors at the board meeting on a quarterly basis. This measure is fundamental to manage conflicts of interest and reinforce overall organizational transparency. It is Company policy for directors, executives, and their related persons to prepare an annual reporting of their conflict of interest, and to report the changes on a quarterly basis, if any.

Such information is documented for internal use only. This is in compliance with the Capital Market Supervisory Board Notification No. TorJor. 22552/, regarding the Reporting of Interests of Directors, Executives and Related Persons.

Chapter 5 Responsibilities of the Board of Directors

Details stated in section 6.1.1 Policy and guidelines for the Board of Directors

6.2 Corporate Governance and Code of Conduct Manual

The Company Code of Conduct for employees and business ethics was established by the Board of Directors to provide Company personnel with principles and guidelines for best practices in the respective business operations and the performance of duties. This is in accordance with the principles of Corporate Governance, to treat all parties with respect and in a way that is professional, transparent, and nondiscriminatory.

The company places great importance on continuous development of its personnel in terms of knowledge, ethical abilities, morality, and instilling a sense of responsibility. The company's Board of Directors and executives are expected to be leaders in ethics and serve as role models in performing duties with honesty, integrity, fairness, and transparency, as per the company's ethical guidelines. These guidelines are publicly available on the company's website at <https://www.civilengineering.co.th>, to provide easy access to stakeholders and the public.

6.3 Significant Changes and Developments in Policies, Practices and Corporate Governance System in 2023.

In 2023, Company operations were supervised by the Board of Directors in accordance with the principles of Corporate Governance and set objectives for sustainable growth.

6.3.1 Important reviews and developments about Company policy and practices took place in 2022, including the Corporate Governance and the Board of Directors Charter. Resolutions are as follows:

1. The Board of Directors' Meeting No. 2023/1 held on February 2023 ,27 acknowledged the report on the Company's operations and is in line with the principles of good corporate governance, Sustainability Report, Sustainability Policy, appoint NRC and approved the Charter, appoint Audit and Risk Management Committee and the revision the Charter.
2. The Board of Directors Meeting No. 2023/5, held on November 2023 ,15, approved the revision of the Policy Charter and Code of Conduct of the Company.

6.3.2 Compliance with the Principles of Good Corporate Governance Principles of Listed Companies 2017 (CG Code)

The Company has reviewed the appropriateness of compliance with the CG Code of listed companies in 2017 issued by the SEC and applied it to suit the Company's business operations. In 2023, the Company has implemented the CG Code, except in the following matters:

CG Code Practices	Company Practices
The Company shall appoint the external consultant to help determine guidelines and recommend issues in evaluating the performance of the Board of Directors at least every three years and disclose into the annual report.	The Company has not yet appointed an external consultant to help determine guidelines and recommend the required procedures and process for the Board performance evaluation that should be undertaken at least every 3 years, and the results shall be disclosed in the Company's Annual Report. However, currently the Board, an individually director and each sub-committee undertakes an annual self-assessment of their performance every year. Nevertheless, the Company has revised self-assessment form as per the guidance by the Thai Institute of Directors Association. Every director can express their comments independently. The results of the self-assessment performance are used to further develop the effectiveness of the duties of the Board of Directors; and both the criteria and the process are disclosed in the Company's Annual Report.

6.3.3 Practices in Other Matters According to the Principles of Good Corporate Governance to Support Various Assessments.

The Company reviews and undertakes any actions to upgrade and improve policies, and practices in accordance with the principles of good corporate governance on an annual basis and in accordance with corporate governance principles both nationally and internationally, such as principles of good corporate governance for listed companies of the Securities and Exchange Commission (CG Code), criteria of corporate governance report of Thai Listed Companies – CGR and others. The Company obtained the results of the evaluation on corporate governance for the year 2023 as follows:



The Company received an **"Excellent"** rating for the first year in the 2023 Corporate Governance Report of Thai Listed Companies (CGR).



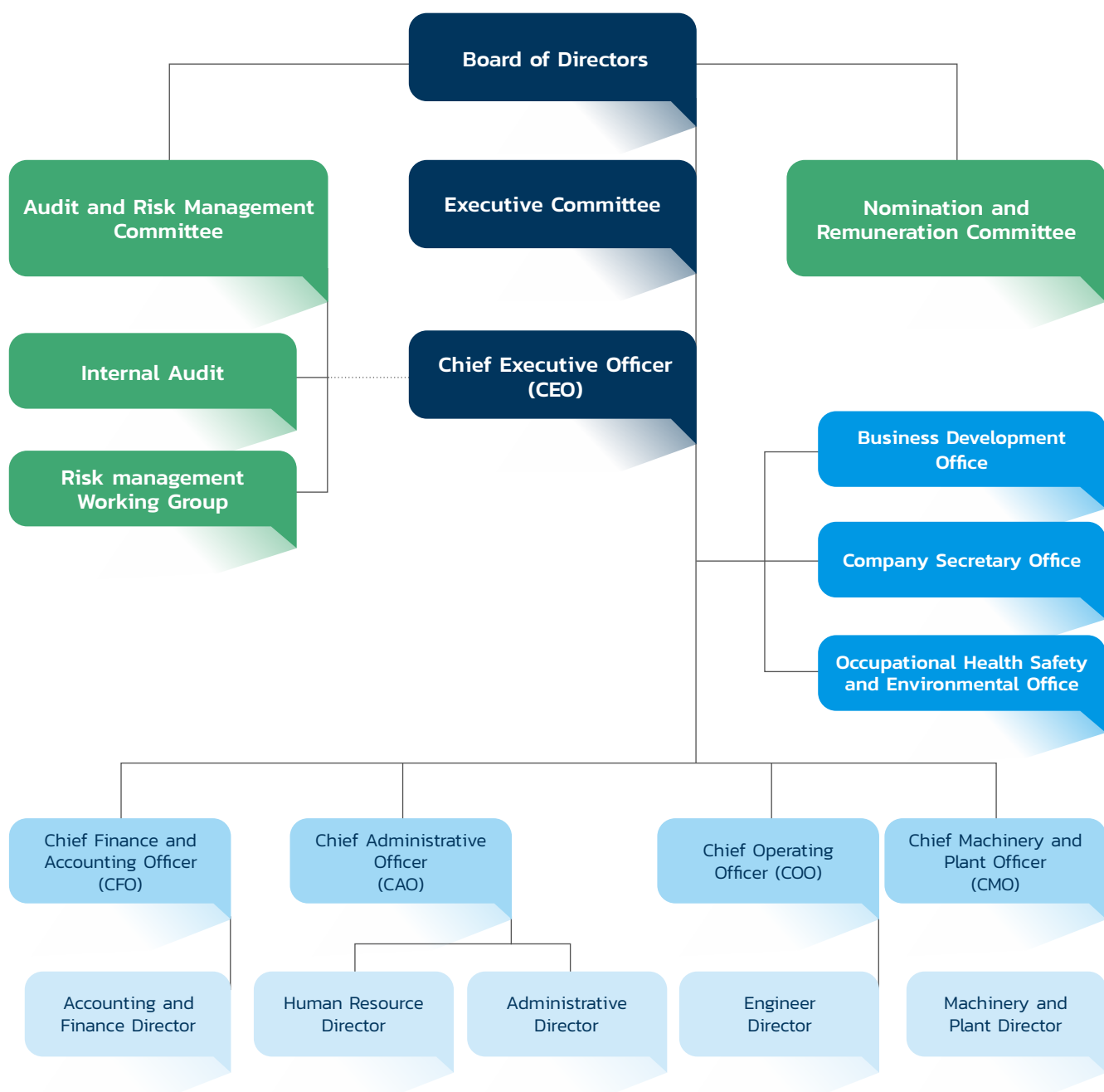
สมาคมส่งเสริมพันธุ์ไทย
THAI INVESTORS ASSOCIATION

The Company received a score of **98** for the year of the 2023 AGM Checklist assessed by the Thai Investors Association.

7. Corporate Governance Structure and Important Information of the Board of Directors, Sub-committees, Executives, Employees, and others

7.1 Corporate Governance Structure

On February 24, 2023, the management structure of the company consisted of a Board of Directors and 3 sub-committees namely: 1) Audit and Risk Management Committee 2) Nomination and Remuneration Committee and 3) Executive Committee Corporate Governance Structure as follow



7.2 Information of the Board of Directors

7.2.1 The Composition of the Board of Directors

The board of directors of the company consists of qualified individuals with diverse expertise and professional skills, experiences, and specialized knowledge beneficial to the company's business operations, including its subsidiaries. They are individuals with complete qualifications and do not possess any disqualifying characteristics as stipulated in the Public Limited Companies Act B.E. 2535 (including any subsequent amendments), the Securities and Exchange Act B.E. 2535 (including any subsequent amendments), as well as related announcements, regulations, and/or rules issued by the Securities and Exchange Commission and/or the Stock Exchange Commission, ensuring suitability and trustworthiness to serve as directors or executives as prescribed by the Securities and Exchange Commission and/or the Capital Market Supervisory Board.

In year 2023, the Board of Directors consisting of 7 directors:

- There are 1 non-executive directors, accounting for 14.28 percent of the total number of directors.
- There are 5 independent directors, accounting for 57.14 percent of the total number of directors.
- There are 2 executive directors, accounting for 28.57 percent of the total number of directors.
- There are 6 Male and 1 Women
- The directors possess diverse knowledge and expertise, including engineering, accounting and finance, strategic planning, legal matters, human resource management, as well as experience in corporate governance and business operations, considering environmental, social, and corporate governance factors.

The Chairman of the Board of Directors and the Chief Executive Officer should not be the same person as the roles and duties of each, as well as directors and committee members, must be separated to balance the Company powers.

7.2.2 Information of the Board of Directors and Company controlling persons

As of 31 December 2023, the Board consisted of 7 directors as follows:

Name of Director	Position
1. Mr. Chaiwat Utaiwan	Chairman of the Board of Directors / Independent Director
2. Mr. Veerasak Kositpaisal	Director / Independent Director /Chairman of the Audit and Risk Management Committee
3. Mrs. Yupin Garnjanawigai	Director / Independent Director / Member of the Audit and Risk Management Committee / Member of Nomination and Remuneration Committee
4. Mr. Chainarong Chochai	Director / Independent Director / Member of the Audit and Risk Management
5. Assoc. Prof. Dr. Tanit Tongthong	Director / Non-Executive Director /Chairman of the Nomination and Remuneration Committee
6. Mr. Piyadit Atsavasirisuk	Director / Executive Director / Chairman of the Executive Committee
7. Mr. Phanthanont Lertwattanasasikul	Director / Member of the Executive Committee

Authorized Directors

Mr. Piyadit Atsavasirisuk signs jointly Mr. Phanthanont Lertwattanasasikul with the Company's seal be affixed.

7.2.3 Roles and Duties of the Board

Duties and Responsibilities of the Board of Directors

- 1) The Board of Director must establish short and long-term strategic departments reflecting the vision and ideas for conducting business operations overall and the future of the company. This includes ensuring that the management regularly evaluates job performance and presents any deviations in operations to the board. additionally, it requires the management to source other useful information for planning and policymaking for the board's analysis of problems, causes, and decision-making to adjust strategies or business plans accordingly.
- 2) The Board of Director must establish policies and guidelines to ensure that the management implements both short-term and long-term strategic plans, creating clarity about the direction of business operations and serving as a communication tool between the Board of Director and Management. These policies should be flexible and capable of being adjusted to align with business conditions, covering all aspects of the business. When the board sets policies for the company and its subsidiaries, there should be provision for explanations or systems for disseminating information to all levels of the organization to ensure mutual understanding and alignment of operations with the established policies. Additionally, periodic reviews and updates of policies should be conducted to keep pace with changing circumstances.
- 3) The Board of Director should establish criteria and methods for selecting management personnel to ensure that individuals with the necessary knowledge and abilities are employed to carry out operations in accordance with established policies and objectives. In considering the selection of management personnel, the Board of Director may appoint subcommittees to perform such duties.

In addition to the selection of management personnel, The Board of Director also has a role in defining the scope of duties and authorities of the management clearly and evaluating the performance of management. This should be based on clear and objective criteria and indicators. The board should communicate expectations to the management, providing clear and transparent feedback on results.

- 4) The Board of Director may consider appointing subcommittees as appropriate, considering the size and nature of the organization's business, to help distribute the workload of the Board of Director in areas where detailed examination or study is required. When appoint-

ing subcommittees, The Board of Director should clearly define the objectives, duties, responsibilities, and authority of the subcommittees to ensure efficient and effective performance. The Board of Director should provide support to the management in terms of both information and personnel for the subcommittees and authorize the company to incur expenses for contacting or seeking advice from external personnel as deemed necessary.

Furthermore, the Board of Director should ensure that regular reports on the performance of subcommittees are prepared and submitted to the board for review, to monitor the progress of the assigned tasks consistently.

The Board of Director has delegated the responsibility for day-to-day management to the executive management. However, the Board of Director still retains the responsibility to oversee and monitor the general operations of the company, subsidiaries, joint ventures, and associated businesses in compliance with relevant laws, objectives, regulations, as well as resolutions from both board meetings and shareholder meetings. This is to ensure effective oversight. The Board of Director should be informed about the operational status of the company, subsidiaries, joint ventures, and associated businesses continually, including both internal and external factors that may impact the organization. Additionally, the Board of Director should seek knowledge about business trends to adapt policies or strategies accordingly to changing environments.

Furthermore, the board should mandate the management to provide regular reports on the operations of the company, subsidiaries, joint ventures, and associated businesses, including market trends, changes in regulations, and other pertinent information that aids the board in planning, policy-setting, or overseeing business operations.

- 5) The Board of Director has delegated the responsibility for day-to-day management to the executive management. However, the board still retains the responsibility to oversee, monitor, and track the general operations of the company, subsidiaries, joint ventures, and associated businesses in compliance with relevant laws, objectives, regulations, as well as resolutions from both board meetings and shareholder meetings to ensure effective oversight. The board should be informed about the operational status of the company, subsidiaries, joint ventures, and associated businesses continually, including both internal and external factors that may impact the organization. Additionally, the board should seek

knowledge about business trends to adapt policies or strategies accordingly to changing environments.

Furthermore, The Board of Director should mandate the management to provide regular reports on the operations of the company, subsidiaries, joint ventures, and associated businesses, including market trends, changes in regulations, and other pertinent information that aids the board in planning, policy-setting, or overseeing business operations.

- 6) The Board of Director should oversee risk management to ensure that management is aware of various risks that may arise and establish adequate and appropriate systems and tools for managing risks. The Board of Director should approve the risk management plan prepared by the management team and ensure that the management implements it. They should conduct analysis and regularly assess the adequacy of the risk management plan. The committee may delegate these responsibilities to the management team or subcommittees as appropriate.
- 7) The Board of Director should ensure that the company and its subsidiaries comply with relevant laws and regulations governing the company's business, including policies and internal regulations of the group of companies.
- 8) To ensure transparency in the operations of the group of companies, The Board of Director should oversee regular communication among the company, shareholders, and other stakeholders. Management should disclose key information accurately and promptly. Therefore, The Board of Director must establish a system that ensures confidence in the accuracy, completeness, timeliness, legality, and relevance of the disclosed information, in accordance with relevant laws and standards.
- 9) Perform duties to the best knowledge and competency, be accountable for their actions, and exercise independent discretion based on integrity and prudence with the best interests of the Company and shareholders at heart.
- 10) Implementing appropriate and efficient accounting systems, financial reporting, and auditing procedures is crucial. Additionally, establishing internal control systems and internal audit procedures that are adequate and effective is essential. Furthermore, ensuring a regular process for assessing the adequacy of the internal control systems of both the company and its subsidiaries is necessary.
- 11) The approval of the selection and appointment of auditors, as well as consideration of appropriate compensation as proposed by the Audit Committee, should be done before presenting it to the shareholders' meeting for approval at the annual general meeting. It is crucial not to interfere with the professional duties of the company's auditors. In cases where the company's auditors resign or are removed, the reasons should be reported to the SEC Office and the Stock Exchange in accordance with relevant laws and regulations.
- 12) The Board of Directors should review, examine, and approve the vision, policies, direction, strategies, and business operation plans of the company, prepared by the management and the executive team, at least once a year. This is to ensure alignment with changing economic conditions, market dynamics, and competitive landscapes.
- 13) Ensure the establishment and implementation of policies related to corporate governance in accordance with ethical principles, and support communication to all individuals within the company to ensure awareness and compliance with these policies. This includes policies such as anti-corruption, whistleblowing, and internal data usage policies, among others. Efficiently adapt and implement these policies to ensure confidence that the company takes responsibility towards all stakeholders fairly.
- 14) Appoint a Company Secretary to assist in the management of board activities and ensure that undertakings of the board and the Company comply with regulations and relevant terms of the law.
- 15) Review and/or provide comments on transactions involving interrelated parties between the company, its subsidiaries, associated companies, and related individuals as stipulated in the Securities and Exchange Act, as well as relevant regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, including those set forth by the Capital Market Supervisory Board.
- 16) Directors and executives of the company have the responsibility to inform the company about their shareholding or debenture holding in the company, subsidiaries, or associated companies, as well as transactions involving directors and executives of the company, including related persons, with the company or its subsidiaries, in a manner that may give rise to conflicts of interest. This disclosure should be accurate, complete, appropriate, and timely, and transactions that may give rise to conflicts of interest with the company or its subsidiaries should be avoided.

- 17) Establishing the charter of the Board of Directors and subcommittees, as well as amending the charter of the Board of Directors and approving proposals from subcommittees for changes to the charter content to ensure currency and suitability with changing regulations, rules, and circumstances.
- 18) Set the succession plan of the top executives.
- 19) Perform other duties related to Company business as assigned by the shareholders.

7.2.4 Roles and Duties of the Chairman of the Board of Directors

According to the company's corporate governance policy, the roles and responsibilities of the chairman of the board are defined as follows:

- 1) Ensure oversight, monitoring, and assurance that the board of directors' duties are carried out effectively and achieve the organization's core objectives and goals.
- 2) Ensure confidence that every board member actively contributes to promoting a corporate culture characterized by ethics and good governance.
- 3) Set the agenda for committee meetings through joint consultation with the CEO and implement measures to ensure that important matters are included on the agenda for the meeting.
- 4) Allocate sufficient time for management to present topics and provide enough time for board members to thoroughly discuss key issues. Promote a balanced use of discretion among board members to freely express their opinions.
- 5) Promote cordial relations between the executive and non-executive directors, and between the Board and the management.

7.2.5 Duties of the Chief Executive Officer

The board of directors appoints the Chief Executive Officer (CEO) to oversee the operations of the company and its subsidiaries within the group. The CEO is responsible for managing the company's business operations and has the following roles and responsibilities:

- 1) Oversee the establishment of the company's vision, business direction, policies, business strategies, objectives, operational plans, and annual budget plans to present to the board of directors and/or company committees for further consideration and approval.
- 2) Communicate the approved vision, business direction, policies, and strategies of the company to senior management executives, serving as a framework for developing and managing business plans within each organizational unit.
- 3) Ensure that the company's operations align with the established plans, comply with laws, regulations, and requirements of relevant authorities, as well as adhere to the company's regulations and objectives, both financial and non-financial.
- 4) Review and approve the operational and business plans of the company.
- 5) Approve various expenditures, including compensation, within the approved budget, operational plans, or framework endorsed by the board of directors and/or company committees, as delegated authority permits.
- 6) Ensure the company has appropriate internal control systems as per the guidelines provided by the Audit Committee and/or the board of directors and/or the company committees.
- 7) Oversee the implementation of suitable risk management and control systems in line with the guidelines provided by the Audit Committee and/or the board of directors and/or the company committees.
- 8) Seek new business and investment opportunities related to the company's core business to increase company revenue.
- 9) Overall human resource management aspects of the company in general.
- 10) Approve the appointment of consultants in various necessary areas for the company's operations and to ensure alignment with the requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), as well as other relevant regulations and guidelines.
- 11) Act as the company's representative in public relations efforts, particularly in networking and maintaining a positive organizational image nationally and internationally.
- 12) Serve as the company's representative in communicating with shareholders.
- 13) Support the company's board of directors in establishing appropriate communication channels with shareholders and ensuring standard and transparent information disclosure.
- 14) Have the authority to delegate duties and responsibilities to others as stipulated in the delegation of authority letter and/or in accordance with regulations, provisions, or orders set forth by the company's board of directors and/or its subcommittees and/or the company itself.

In this regard, the delegation of duties and responsibilities to the CEO or the person delegated authority by the CEO will not constitute a delegation or a temporary delegation of authority that would allow the CEO or the person delegated authority by the CEO to approve transactions that may involve conflicts of interest (as defined by the

Securities and Exchange Commission and/or the Stock Exchange of Thailand and/or relevant regulatory authorities). Such delegation may result in loss or gain of interest, or may create other conflicts of interest with the company or its subsidiaries, except for the approval of transactions that comply with policies and criteria established and approved by shareholder meetings or the board of directors. Such approvals are for transactions conducted in the ordinary course of business and under normal trading conditions, in accordance with announcements made by the Securities and Exchange Commission and/or regulations set forth by the Stock Exchange of Thailand and/or relevant regulatory authorities.

15. Perform other duties as assigned by the company's board of directors and/or its subcommittees, within the framework of the company's regulations, securities laws, as well as announcements, regulations, and criteria set forth by the Securities and Exchange Commission, the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand, and other relevant authorities.

7.3 Information of the Sub-Committees

In the year 2023, the Board of Directors appointed three subcommittees, namely: 1) Audit Committee and Risk Management Committee 2) Nomination and Remuneration Committee and 3) Executive Committee were roles and responsibilities as specified in the charter of each respective subcommittee.

1) Audit Committee and Risk Management Committee

As of December 31, 2023, the Audit and Risk Management Committee of the company consisted of three independent directors who fully met the qualifications specified in the charter of the Audit and Risk Management Committee and complied with the criteria set by Thai Capital Market Supervisory Board.

- 1) Mr. Veerasak Kositpaisal
Chairman of the Audit Committee and Risk Management
- 2) Mrs. Yipin Garnjanawigai
Member of the Audit Committee and Risk Management
- 3) Mr. Chainarong Chochai
Member of the Audit Committee and Risk Management

Yupin Garnjanawigai possesses sufficient knowledge and experience to conduct a reliable examination of the financial statements of the company.

Mr. Chaovarat Pattamatat serves as the acting secretary of the Audit and Risk Management Committee.

The company has engaged Thamniti Internal Audit Company Limited as an external unit (Outsource) to serve as the internal auditor of the company and report directly to the Audit and Risk Management Committee.

Roles and responsibilities of the Audit Committee and Risk Management

1. Review the Company's financial reporting to be accurate and adequate according to financial reporting standards by coordinating with external auditors and management responsible for preparing both quarterly and annual financial reports. The Audit Committee and Risk Management Committee may suggest that the auditors review or examine any items that are considered important and necessary during the audit of the Company and its subsidiaries.
2. To consider approving that the quarterly financial statements for submission the board of directors' Meeting for acknowledgement in including to review yearly financial statements for submission the board of directors' Meeting for endorse and propose to shareholders 'meeting approve.
3. To review to ensure that the Company has an appropriate and effective internal control and internal audit system and consider the independence of the internal audit unit as well as to approve the appointment, transfer and dismissal of the head of the internal audit unit, or any other agency responsible for internal audits.
4. To review the Company's compliance with the Securities and Exchange Act, the regulations of the Stock Exchange and the Capital Market Supervisory Board, and the laws relating to the Company's business.
5. To consider, select, or propose to appoint an independent person to act as the Company's external auditor and propose the remuneration of such person, including attending a meeting with the external auditor without the presence of the management at least once a year.
6. To consider and give opinions on connected transactions or transactions that may have conflicts of interest and consider the acquisition or disposition of the Company and its subsidiaries to comply with the laws and regulations of the Stock Exchange of Thailand. This is to ensure that the transaction is reasonable and for the best interest of the Company.
7. To prepare the Audit Committee and Risk Management Committee's report and disclose it in the Company's annual report, which must be signed by the Chairman of the Audit Committee and Risk Committee and must contain the following information:
 - 1) Opinion on the accuracy, completeness, and credibility of the Company's financial reports.

- 2) Opinions on the adequacy of the Company's internal control system.
- 3) Opinion on the compliance with securities and exchange laws, stock exchange regulations, or laws related to the Company's business.
- 4) Opinion on the suitability of the auditor.
- 5) Opinion on the transactions that may have conflicts of interest.
- 6) Number of Audit and Risk Management Committee Meetings and attendance of each Audit Committee member.
- 7) Overall opinions or observations received by the Audit and Risk Management Committee in the performance of its duties in accordance with the Charter.
- 8) Other transaction that shareholders and general investors should be aware of under the scope of duties and responsibilities assigned by the Board of Directors.
8. To review the accuracy of reference documents and self-assessment on the Company's anti-corruption measures in the event that the Company participates in the Thai Private Sector Collective Action Coalition Against Corruption.
9. To review and monitoring risk management outcome reports including assessment risk management impact and likelihood of the identified risks to prioritize risks and appropriate risk management methods.
10. To review the risk management policy according to objective target strategy and risk appetite of the Company for define risk management process framework.
11. To perform any other duties as assigned by the Board of Directors with the consent of the Audit and Risk Management Committee.

In the performance of duties pursuant to Articles 1. – 11. above, the Audit and Risk Management Committee is directly responsible to the Board of Directors and the Board of Directors remains responsible for the Company's operations to outsiders.

Term of the Audit and Risk Management Committee

- 1) Audit Committee members shall serve a term of office of 3 years in accordance with the term of office of directors, and upon completion of their term, may be considered for reappointment to a new term as deemed appropriate by the board of directors. An Audit Committee member should not serve consecutive terms exceeding 9 years from the date of their initial appointment to the Audit Committee (unless the board deems it necessary for the

member to continue serving beyond 9 years). Retiring Audit Committee members shall remain in office to perform their duties until a replacement is appointed, unless the term of office of the director expires and they are not re-elected to the board.

- 2) Apart from the expiration of their term, a committee member shall cease to hold office when:
 - (1) they pass away
 - (2) they resign from the Audit Committee, in which case they must provide written notice of resignation to the chairman of the board of directors at least 30 days in advance, along with reasons, for the board of directors and/or the shareholders' meeting to consider appointing a new member meeting all qualifications as an Audit Committee member to replace them (as the case may be)
 - (3) they lack qualifications to serve as a director under the laws governing public limited companies, securities and stock markets regulations, or relevant criteria, including this Audit Committee charter,
 - (4) the board of directors resolves to remove them from office.
- 3) In the event that an Audit Committee member vacates their position, resulting in fewer members than required by law, the board of directors shall appoint a qualified individual to fill the vacant position within 3 months from the date the number of Audit Committee members falls short, in order to ensure the Audit Committee operates with the required number of members as stipulated by law or relevant criteria. The newly appointed Audit Committee member shall serve for the remaining term of the Audit Committee member who vacated the position.
 - 1) The Nomination and Remuneration Committee
As of December 31, 2023, the Nomination and Remuneration Committee consisted of 2 members as follows:
 1. Assoc. Prof. Dr. Tanit Tongthong
Chairman of the Nomination and Remuneration Committee
 2. Mrs. Yupin Garnjanawigai
Member of the Nomination and Remuneration Committee

Mr. Chaovarat Pattamatat serves as the acting secretary of the Nomination and Remuneration Committee.

Roles and responsibilities of the Nomination and Remuneration Committee

In addition to ad hoc duties assigned by the Board of Directors, the Nomination and Remuneration Committee has prescribed duties as follows:

Nomination

- 1) Consider the criteria for Directors' nomination and determine the qualifications of the Directors and member of sub-committees that consider the structure, size, and composition of the Board of Directors and sub-committees, the nomination and selection of qualified candidates to become Directors for consideration and approval of the Board of Directors and the Shareholders' Meeting.
- 2) Evaluate, select, and screen the names and backgrounds of individuals to be proposed as committee members, sub-committee chairpersons, and executive officers in the event of vacancies, to present to the board of directors for approval, in accordance with selection criteria and reliable databases.
- 3) Consider criteria for succession planning for executive positions to propose to the board of directors for approval.
- 4) Monitor the development of succession plans and continuity plans for suitable management positions, such as CEO and senior executives, to present to the board of directors for approval.
- 5) Evaluate the performance of the company's top executives to present to the board of directors for approval.
- 6) Nomination, selection and propose suitable individuals to serve as company directors.

Remuneration

- 7) Establish clear and transparent criteria for remuneration and other benefits for the board of directors, subcommittees, and executives, presenting them for approval at board meetings and/or shareholder meetings as appropriate.
- 8) Provide recommendations for the remuneration of the board of directors, subcommittees, and executives that are appropriate to their duties and responsibilities.
- 9) Disclose the remuneration framework and various forms of remuneration in the company's annual reports.

Other responsibilities

- 10) Provide consultancy on corporate governance practices and sustainable management to the board of directors.
- 11) Monitor and oversee the operations of management to ensure compliance with corporate governance policies and sustainable development, as well as to track, evaluate, and assess performance against such policies.
- 12) Promote communication within the company to ensure awareness and understanding of corporate governance policies, business ethics, work practices, anti-corruption initiatives, sustainable development, and relevant guidelines at all levels of management, employees, and stakeholders.
- 13) Perform other duties as assigned and present them to the board of directors.

Term of the Nomination and Remuneration Committee

1. The nomination and remuneration committee members serve a term of three years, aligning with the tenure of the board of directors. Upon completion of their term, they may be considered for reappointment as deemed appropriate by the board of directors and/or shareholder meetings (as applicable). The nomination and remuneration committee may continue to serve beyond their term until a replacement is appointed, except in cases where they have completed their term as board members but have not been re-elected.
2. Apart from completing their term, committee members cease to hold office when:
 - (1) They pass away.
 - (2) They resign from the nomination and remuneration committee, providing written notice of resignation to the board chair at least 30 days in advance along with reasons, for the board of directors and/or shareholder meetings to consider the appointment of a new committee member (as applicable).
 - (3) They no longer meet the qualifications required by laws governing public limited companies, securities and stock markets, or relevant criteria, including the criteria outlined in this nomination and remuneration committee handbook.
 - (4) They are removed from office by a resolution of the board of directors.

3. In cases where committee members resign, resulting in an insufficient number of members as specified in this handbook, the board of directors shall appoint qualified individuals to fill the vacancies to ensure the committee has the required number of members within three months from the date the committee falls short of the required number. This ensures continuity in the committee's operations. Newly appointed committee members shall serve for the remaining term of the committee members who vacated their positions.

2) The Executive Committee

As of 31 December 2023, the Executive Committee consisted of 5 members as follows:

- 1) Mr. Piyadit Atsavasirisuk
Chairman of the Executive Committee
- 2) Mr. Phanthanont Lertwattanasakul
Member of the Executive Committee
- 3) Mr. Anuwat Lertchaiworagul
Member of the Executive Committee
- 4) Mr. Kitisak Toa-talingchan
Member of the Executive Committee
- 5) Miss Sawittree Phuengrasamee
Member of the Executive Committee

Mr. Chaovarat Pattamatat serves as the acting secretary of the The Executive Committee.

Roles and responsibilities of the Executive Committee

- 1) Operate and manage the company's business in accordance with its objectives, regulations, policies, rules, directives, and resolutions of the board of directors and/or shareholder meetings.
- 2) Establish strategies, business plans, annual budgets, and company investment plans, including organizational structures, approval authorities, and management of the company's operations, for presentation to the board of directors for approval.
- 3) Review all types of work proposals from various departments, as well as policies, objectives, strategies, business operations, investments, expansion plans, and budgets of the company for presentation to the board of directors for consideration and approval, except for tasks under the responsibility and/or authority of other subcommittees of the company's board of directors, which will be considered and presented to the board of directors directly by those subcommittees.
- 4) Monitor and ensure compliance with the policies and guidelines for various aspects of the company's management as assigned by the board of directors.

- 5) Supervise and provide advice, consultation on policies, strategies, objectives, operational plans, budgets, and performance reports of the company and its subsidiaries to the board of directors for acknowledgment.
- 6) Consider and approve various matters related to the company's operations according to the Delegation of Authority matrix established by the board of directors.
- 7) Consider and approve financial transactions with financial institutions, such as opening accounts, loans, credit requests, mortgages, guarantees, and other financial transactions, including property rights transactions, for the benefit of the company's normal operations and its subsidiaries, as well as any related transactions until completed within the limits prescribed and/or required by laws, regulations, or the company's bylaws. The board of directors also has the authority to consider and approve financial transactions with financial institutions if necessary.
- 8) Report the company's operational results within the prescribed time frame, including:
 1. Quarterly performance reports of the company within the timeframe specified by the stock exchange.
 2. Auditor's reports on the company's financial statements, including annual financial statements and quarterly financial statements within the timeframe specified by the stock exchange.
 3. Other reports as deemed necessary by the board of directors.
- 9) Perform other duties as assigned by the board of directors.

Term of the Nomination and Remuneration Committee

1. Executive directors shall hold office for the term as specified in the terms of office of directors or executives of the company (as applicable), unless the board of directors passes another resolution. Executive directors who complete their term may be reappointed.
2. In addition to completing their term, executive directors cease to hold office when:
 - (1) They pass away.
 - (2) They resign from the board of directors, providing written notice of resignation to the board chair at least 30 days in advance, along with reasons, for consideration of the appointment of a new director by the board of directors and/or shareholder meetings (as applicable).
 - (3) They lose qualifications as directors or have characteristics that are prohibited by laws governing public limited companies, securities and stock markets, or criteria set by the stock exchange or the SEC. The board of directors resolves to remove them from office at the board meeting.

7.4 Information of the Executives

7.4.1 Name and Position of the Executive

In year 2023, the Company executives consisted of 10 executives as follows:

Name	Position	Remark
1. Mr. Piyadit Atsavasirisuk	Chief Executive Officer	
2. Mr. Phanthanont Lertwattanasasikul	Chief Administrative Officer	
3. Mr. Anuwat Lertchaiworagul	Chief Operating Officer	
4. Mr. Kitisak Toa-talingchan	Chief Machinery and Plant Officer	
5. Ms. Sawittree Phuengrasamee	Chief Finance and Accounting Officer	
6. Mr. Comsin Srisonkompon	Engineer Director	
7. Ms. Supawadee Kobtanyakan	Human Resource Director	
8. Mr. Sarawut Baisee	Accounting and Finance Director	Start date on November 16, 2023
9. Mr. Puttikun Jermcharoen	Accounting and Finance Director	leaving date on April 26, 2023
10. Mr. Peerapong Na Kalasin	Accounting and Finance Director	leaving date on October 6, 2023

Remark : Mr. Sarawut Baisee is The person supervising accounting

7.4.2 Remuneration Policy for Executives

The company has established a compensation policy for executives based on the company's performance, appropriateness to responsibilities, and individual performance evaluations. However, such compensation must be at a level that is fair and comparable to similar industries. The company's board of directors will approve the criteria for setting compensation for executive officers, subject to approval by the nomination and compensation committee and consideration of compensation.

7.4.3 Remuneration of Executive Directors and Executives

(1) Monetary Remuneration of Executives

The remuneration for executives in managerial positions (excluding meeting allowances for the year 2023) comprises of salary and bonuses.

Item	Year 2021	Year 2022	Year 2023
People (persons)	5	6	5
Remuneration (MB)	18.84	19.73	19.04

The compensation for executives, excluding the position of Director of Accounting and Finance, as it is not at the same level as the executives at the fifth level.

(2) Other remunerations of Executives

The company has set up a provident fund (PVD) for executives, to which the company contributes an additional 2% of their monthly salary. In the year 2023, the company contributed a total of 863,790 baht to the retirement fund for the five executives. Additionally, the company paid a social security fund contribution for employers for the executives, totalling 52,500 baht for the five executives.

7.5 Information of Employees

Headcount of employees

On December 31, 2566, the company and its subsidiaries had a total of 926 employees, categorizable according to types of employment and main job categories as follows:"

Department	Headcount of employees as on December 31, 2023									
	The Company		Sub - Companies						Total	
	CIVIL		CCSP		THE		CSTT			
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
- Accounting and Finance	11	0	6	0	0	0	0	0	17	0
- General Administrative ¹	34	0	19	0	0	0	0	0	53	0
- Engineer	183	139	182	112	23	4	0	0	388	255
- Machinery & Plant	66	6	109	18	1	0	0	0	176	24
- Other ²	3	2	2	0	1	0	0	0	6	2
Total	297	147	318	130	25	4	0	0	640	281

Remark : 1 General administration career path includes Human Resources Department, Procurement Department, Information Technology Department, Legal Department, and Administrative Department.

2 Other components include the Company Secretary's Office, Business Development Office, Executive Office and Occupational Health Safety and Environmental Unit.

Remuneration for employees of the company and its subsidiaries (excluding top 5 executives).

In the year 2023, the company and its subsidiaries have paid a total remuneration to employees (excluding executives and independent directors) amounting to 319.60 million baht. This compensation includes salaries, bonuses, allowances, transportation assistance, lunch allowances, overtime pay, provident fund contributions, and social security fund contributions, among others are as follows:

Year 2023	The Company	Subsidiary Companies			Total
	CIVIL	CCSP	THE	CSTT	
Remuneration (MB)	156.96	148.61	11.82	0	319.60

Provident Fund

The company has a policy to support the Pension Fund Committee of the company in selecting fund managers who adhere to the principles of investment governance for institutional investors (Investment Governance Code: "I Code") and manage investments responsibly, considering environmental, social, and governance (ESG) factors, which will lead to long-term benefits for the members of the company's pension fund. The company has established a pension fund in accordance with the Provident Fund Act B.E. 2530 (as amended) on February 15, 2023, and has appointed Krung Thai Asset Management Public Company Limited to manage the pension fund under the name " Thai Munkhong Master Pooled Fund (Registered)".

Labor Disputes period 3 years

-None-

Human Development Policy

The company acknowledges the importance of its personnel, who are crucial factors in driving the company's business operations to achieve its strategies, objectives, and goals. Therefore, the company is committed to continuously recruiting and promoting the development of its personnel to have professional knowledge, skills, and capabilities, fostering a good working atmosphere and culture, and providing benefits and statutory welfare to sustain its workforce as follows:

1. The company will recruit and accept personnel based on suitability in terms of knowledge, abilities, experience, and behavior.
2. The company will determine minimum wage rates as required by law and manage compensation to be competitive in the labor market, considering job value, knowledge, abilities, and experience.
3. The company will continuously promote personnel development at all levels to enhance knowledge and abilities for progress in job roles.
4. The company will encourage personnel to utilize their knowledge and demonstrate their skills to the fullest extent in company tasks.
5. The company will ensure good hiring conditions and a work environment that is safe, healthy, and compliant with labor laws and other relevant regulations.
6. The company will establish a reward management system that motivates and rewards performance based on job success.
7. The company will provide welfare benefits and activities for employees to foster good relationships, unity, and a positive organizational culture.
8. The company will treat employees fairly, transparently, and with mutual respect.
9. The company respects and considers basic employment rights and will not use forced labor, child labor, or employ individuals below the legal age.
10. The company specifies notice periods for employee resignations, requiring at least 30 days' notice (for regular employees) or at least 60 days' notice for managerial positions, to allow sufficient time for the company to find replacements.
11. The company develops personnel development plans within departments to prepare for or replace personnel in those positions, particularly for key management positions, there will be preparedness plans for selecting personnel with capabilities in each department for training to take on future management positions.

Human Development Guideline

The company has various strategies for personnel development, encompassing both hard skills and soft skills in diverse formats. These strategies include on-the-job training, internal knowledge-sharing sessions, and sending employees to external training programs. Furthermore, the company employs various methods and tools for development. An example of a personnel development plan for the year 2023 is outlined as follows:

- **Development Program for Middle Management:** This program focuses on enhancing the skills of middle managers in supervision, knowledge transfer, and providing consultancy to less experienced staff (mentoring). Its objectives include developing team members' knowledge and abilities, improving internal relationships within the organization, and driving operational outcomes in line with the company's objectives.
- **Succession Planning for Key Positions:** This initiative aims to manage and mitigate risks in organizational management, ensuring continuous business operations. Initially, plans will cover key positions, with subsequent expansion to various roles.
- **Development Project (Job Analysis & Competencies):** This project evaluates current employee competencies through job analysis and aims to develop their skills further.
- **Knowledge Management:** (Train the Trainer Project) focuses on developing employees' knowledge and abilities to transfer knowledge and experiences to colleagues. It also involves establishing a learning system for employees (Knowledge Management).
- **Succession Planning for (Key Position):** This plan ensures continuous risk management in operations. It involves preparing for the retirement or resignation of executives in key positions.
- **Career Advancement Project (Engineering):** This initiative aims to define clear job positions and career advancement paths to promote systematic operations and retain knowledgeable staff.
- **High-Potential Employee Management:** This project aims to develop high-potential employees for current and future roles, enhancing operational efficiency and effectiveness.

7.6 Other Important Details

7.6.1 Details about the individuals directly responsible for the following

Accounting Director

Mr. Sarawut Baisee, Director of Accounting and Finance, had been assigned to oversee and control the company's accounting. The qualifications of the appointed individual for directly controlling and overseeing the accounting are detailed in Attachment 1.

Company Secretary

The Board of Directors resolved to appoint Mr. Chaovarat Pattamatat as the Company Secretary to comply with the requirements of the Securities and Exchange Act B.E. 2535 (including subsequent amendments). The qualifications of the Company Secretary are detailed in Attachment 1.

Scope, Authority, Duties, and Responsibilities of the Company Secretary

- (1) Compile and maintain the following documents:
 - (a) Register of Directors
 - (b) Board meeting invitation letter, Minutes of Board meetings, and annual reports of the company
 - (c) Shareholder meeting invitation letter and Minutes of Annual Shareholder meeting.
 - (2) Retain Conflict of Interest report as reported by the Board and executives
- (3) Undertake other actions as announced by the Securities and Exchange Commission
- (4) Dispatch copies of profit and loss reports per Section 89/14, prepared by the Board and executives of the company, to the Chairman of the Board and the Internal Audit Committee within 7 business days from the date the company receives the reports
- (5) Provide preliminary legal advice to the Board on laws, regulations, and company rules that the Board needs to know, ensuring compliance and reporting significant changes in laws relevant to the Board
- (6) Organize shareholder and Board meetings in compliance with laws, regulations, and company policies
- (7) Record shareholder and Board meeting minutes and ensure compliance with resolutions adopted at shareholder and Board meetings
- (8) Ensure disclosure of information and reporting of information within the scope of responsibility to regulatory authorities as per their regulations and requirements.

The Company Secretary must perform the above duties with responsibility, caution, honesty, and integrity, ensuring compliance with laws, objectives, company regulations, Board resolutions, and resolutions adopted at shareholder meetings.

Head of Internal Audit

The company has appointed an Internal Audit Office directly reporting to the company's Audit Committee to support independent, efficient, and effective internal audit operations. During the 4/2023 Internal Audit Committee meeting on November 15, 2023 and the 6/2023 Board of Director on November 15, 2023 resolved to appoint Dharmniti Internal Audit Company Limited, by appointed Ms. Kitlada Somngam as the Head of the Internal Audit, who meets the educational and training qualifications suitable for the role. Details can be found in Attachment 3.

The Audit Committee will consider selecting the Head of the Internal Audit based on qualifications, knowledge, abilities, and experience, as well as evaluating the performance of the head of the Internal Audit annually. Additionally, any transfers or removals of the Head of the Internal Audit require approval from the Audit Committee.

In the future, the company may consider establishing an internal audit department to conduct internal audits and assess the internal control system instead of outsourcing an Internal Audit Office.

7.6.2 Head of Investor Relations and Contact Information

The company currently does not have an investor relations department and has assigned Ms. Sawittree Phuengrasamee, Chief Financial Officer, to be responsible for investor relations.

Contact information is as follows:

Address : 68/12, 7th Floor, CEC Building,
Kamphaeng Phet 6 Road, Lat Yao, Chatuchak,
Bangkok, 10900
Telephone : 02-589-8888
Email : ir@civilengineering.co.th

7.6.3 Appointment of External Auditor and Consideration of Audit Fees

The Audit Committee considers the qualifications and performance of external auditors for recommendation to the Board of Directors for their annual appointment, and the proposed audit fees for further consideration and approval by the General Meeting of Shareholders.

In 2023, The remuneration for external audits included:

1. Audit Fees:

The company has paid audit fee of THB 1,250,000 to EY Office Limited ("EY") for auditing services, including the audit of quarterly financial statements and the annual audit fee, excluding out-of-pocket expenses.

Type of Remuneration	Year 2024 (Proposed) (Baht)	Year 2023 (Proposed) (Baht)	Increase / Decrease (%)
Audit fee for the year	1,250,000	1,250,000	-

2. Non-audit Fee

The company did not pay any compensation for other services to "EY" apart from the audit fee.

Type of Remuneration	Year 2024 (Proposed) (Baht)	Year 2023 (Proposed) (Baht)	Increase / Decrease (%)
Non-audit fee	0	0	-

8. Important Corporate Governance Results

8.1 Performance Summary of the Board of Directors

The Board of Directors performed its duties in the framework of the Board of Directors Charter, Good Corporate Governance Principles, and fiduciary duties in the best interests of the Company and its shareholders, i.e., cautiously, and honestly based on trust. The following board duties were undertaken to develop the organization:

- Approve the annual budget and strategic plan.
- Approve investment projects for business expansion to optimize competitiveness.
- Approve various policies in compliance with the Corporate Governance and Code of Conduct Manual, as well as policy compliance assessment through various management reports.
- Supervise and ensure management compliance under corporate policies, strategies, and business plans.
- Assess and follow up on Company performance, as well as render advice for operational optimization.
- Follow up and review the sufficiency and appropriateness of Company risk management and internal control systems via Quarterly Audit Committee Reports.

8.1.1 Board of Directors: Recruitment, Development, and Performance Assessment

Recruitment

Recruitment of Board Members

In 2023, the Nomination and Remuneration Committee provided the opportunity for minority shareholders to nominate candidates for election as the Company's director and also proposed and recommended to the Board of Directors for the re-election of 3 directors who retired by rotation in 2023 to be considered for another term of service, namely: 1) Mr. Chaiwat Utaiwan, 2) Mr. Veerasak Kositpaisal, and 3) Assoc. Prof. Dr. Tanit Tongthong

The Nomination and Remuneration Committee considered the qualifications of the 3 directors per Board of Directors' Charter and relevant legal compliance and requirements, taking into account the collective board matrix and diversity structure, thus, the individual selection criterion that synergizes a unique blend of skills, knowledge, experiences, and unique perspectives beneficial to the Company, irrespective of protected characteristics, race, nationality, gender or age, as well as the individual's capacity to dedicate the required time and effort to perform board duties to propose to the Board for consideration and propose to the 2023 Annual General Meeting of Shareholders for election

all 5 directors as the Company's directors for another term of service.

In the new board member voting, each shareholder was entitled to the number of votes equal to the number of held shares, one vote for each share, whereby every shareholder must cast all votes for an individual candidate.

Recruitment of the Top Executive

The Nomination Committee reviews the succession plan for the Chief Executive Officer regularly and provides useful suggestions for Company management and the human resources department to optimize the plan, ensuring the Company has a suitable and effective successor for top management, retail-wholesale business operations align with corporate goals, strategy, and plans, and present the succession plan implementation report to the Board of Directors for acknowledgment annually. Details of the selection criteria and successor development guidelines are under section "6.1.1—Board of Directors Policies and Guidelines for Top Executive Recruitment and Succession Plans".

Development

Director Development and Training (2023)

The Company promotes and facilitates training and education for directors on good corporate governance principles and other matters to optimize the capacity required to perform duties and the efficiency continuously. Details of the directors' development and training are disclosed under section "6.1.1—Board of Directors Policies and Guidelines for Development of Directors and Executives".

All directors have also completed the basic training course organized by the Thai Institute of Directors Association (IOD), representing a 100% training certification of Company directors.

Results of the 2023 Performance Assessment of the Board of Directors

The summary of the 2023 performance assessment results indicates that the overall performance was in the Excellent criterion, in both of assessment in the whole Board and individual. The appraisal, with commentaries, was presented in a board meeting where the members jointly evaluated rooms for improvement and opportunities to further optimize overall performance.

Details of the results of the 2023 performance assessment of the Board of Directors are disclosed under section “6.1.1—Board of Directors Policies and Guidelines for Assessment of the Board Performance”.

During the past year, two board members of the company participated in training courses organized for directors by the Thai Institute of Directors (IOD).

Name –Surname	Position	Training Course
1. Assoc. Prof. Dr. Tanit Tongthong	Director / Non-Executive Director /Chairman of the Nomination and Remuneration Committee	Board Nomination and Compensation Program - BNCP 2023/17
2. Mrs. Yupin Garnjanawigai	Director / Member of the Audit and Risk Management Committee / Member of the Nomination and Remuneration Committee / Independent Director	Board Nomination and Compensation Program - BNCP 18/2023

Performance Evaluation of the Board of Directors

Overall, based on the performance evaluation of the company's board of directors for the fiscal year 2023, it was found that the performance was rated as "excellent" both in the collective and individual assessments. The company reported the evaluation results and various comments at the board meetings. The board of directors collectively reviewed these evaluation results to enhance the effectiveness of their duties.

Details of the board of directors' performance evaluation are presented in section "6.1.1 Policies and Practices Regarding the Board of Directors" in the company's report.

8.1.2 Attendance at Meetings and Compensation for Individual Board Members

Meeting Attendance of Director

The board of directors scheduled at least one quarterly board meeting with an advance annual meeting schedule to allow directors to plan and allocate time for attendance.

In the fiscal year 2023, the board of directors held a total of 6 meetings and one ordinary shareholder meeting. The attendance of each board member is summarized as follows:

No.	Name	Position	Attend Meeting / Total Meetings	
			BOD Meetings in 2023	AGM Year 2023
1.	Mr. Chaiwat Utaiwan	Chairman of the Board of Directors / Independent Director	6/6	1/1
2.	Mr. Veerasak Kositpaisal	Director / Independent Director /Chairman of the Audit and Risk Management Committee	6/6	1/1
3.	Mrs. Yupin Garnjanawigai	Director / Member of the Audit and Risk Management Committee / Member of the Nomination and Remuneration Committee / Independent Director	6/6	1/1
4.	Mr. Chainarong Chochai	Director / Member of the Audit and Risk Management / Independent Director	6/6	1/1
5.	Assoc. Prof. Dr. Tanit Tongthong	Director / Non-Executive Director /Chairman of the Nomination and Remuneration Committee	6/6	1/1

No.	Name	Position	Attend Meeting / Total Meetings	
			BOD Meetings in 2023	AGM Year 2023
6.	Mr. Piyadit Atsavarisuk	Director / Chairman of the Executive Committee / Chief Executive Officer	6/6	1/1
7.	Mr. Phanthanont Lertwattanasikul	Director / Member of the Executive Committee	6/6	1/1

Board Remuneration

The company provides remuneration to the board of directors and the audit committee, without remuneration being provided to the management board. Board remuneration is assessed based on the appropriateness to the roles and responsibilities of the directors, business plans, and overall company performance. It is also compared with other companies in the same industry of similar size.

During the ordinary shareholder meeting for the fiscal year 2023 held on April 25, 2023, the resolution to approve the remuneration of the board of directors and the sub-committee for the fiscal year 2023 was passed. The approved remuneration includes:

Type of Remuneration	Board of Director		Sub - Committee					
			Audit and Risk Management Committee		Nomination and Remuneration Committee		Executive Committee	
	Chairman	Director	Chairman	Director	Chairman	Director	Chairman	Director
1. Monthly Remuneration (Baht/person/month)	30,000	20,000	-	-	-	-	-	-
2. Allowance (Baht/person/time)	30,000	20,000	20,000	10,000	20,000	10,000	-	-
		(Independent Director and Non-Executive Director)						
3. Other Benefit	Official Car	-	-	-	-	-	-	-

In Year 2023 Director remuneration for the fiscal year ended December 31, 2023, totaled Baht 2,690,000 million as follows.

No.	Name	Position	Board of Director (Baht)	Audit and Risk Management Committee (Baht)	Nomination and Remuneration Committee (Baht)	Total (Baht)
1.	Mr. Chaiwat Utaiwan	Chairman of the Board of Directors / Independent Director	540,000	-	-	540,000
2.	Mr. Veerasak Kositpaisal	Director / Independent Director / Chairman of the Audit and Risk Management Committee	360,000	100,000	-	460,000
3.	Mrs. Yupin Garnjanawigai	Director / Member of the Audit and Risk Management Committee / Member of Nomination and Remuneration Committee / Independent Director	360,000	50,000	10,000	420,000
4.	Mr. Chainarong Chochai	Director / Member of the Audit and Risk Management / Independent Director	360,000	50,000	-	410,000
5.	Assoc. Prof. Dr. Tanit Tongthong	Director / Non-Executive Director / Chairman of the Nomination and Remuneration Committee	360,000	-	20,000	380,000
6.	Mr. Piyadit Atsavasirisuk	Director / Chairman of the Executive Committee / Chief Executive Officer / Executive Director	240,000	-		240,000
7.	Mr. Phanthanont Lertwattanasasikul	Director / Member of the Executive Committee / Executive Director	240,000	-		240,000
Total			2,460,000	200,000	30,000	2,690,000

8.1.3 Operational Oversight of Subsidiaries and Associates

Oversight Instruments

The Board of Directors applies the following oversight instruments to supervise the operations of subsidiaries and associates and maintain Company investment benefits:

1. Board-approved Company representatives are deployed to subsidiaries and affiliates as directors, executives, or persons with controlling power in numbers proportionate to Company held shares.
2. The scope of executive authority, duties, and responsibilities of Company representatives is determined by the level of required control or participation to formulate important policies for the business.
3. The Company ensures complete and accurate disclosure of financial information and operating results, related party transactions, acquisition or disposition of assets, or any other important transactions of subsidiaries and affiliates by applying Company-wide accounting, financial, and internal audit standards and rules.
4. The appropriate and concise internal control system is determined for Company subsidiaries and is monitored by the Company's internal audit agency. In addition, the companies are required to obtain approval from the board prior to engaging in important transactions that require shareholders' resolutions, such as capital increase, capital reduction, and liquidation, among others.

Shareholders Agreements for Managing Subsidiaries and Associates

- None -

8.1.4 Corporate Governance Compliance and Monitoring

The Board of Directors prioritizes business operations under established principles in the Corporate Governance and Code of Conduct Manual, which outlines mandatory policy and guidelines with clearly defined duties and responsibilities of all Company directors, executives, and personnel to follow via the Company's Policy Acknowledgement and Confirmation of Compliance online form. A supervisory capacity is expected of leadership at all levels across the organization to supervise the immediate line of command for acknowledgment, comprehension, and compliance.

The Company monitors the implementation of corporate governance principles and code of conduct to reinforce professional conduct and protocol over a wide range of engagements, for instance, fair treatment of stakeholders, respect for human and labor rights, information security and personal data protection, promotion of occupational health, safety, and security, all the way to communal, social, and environmental care. Transparency is the key principle to guide business operations and ensure compliance in the following four areas:

1. Prevention of Conflicts of Interest

The Company Code of Conduct for preventing Conflicts of Interest in the Corporate Governance and Code of Conduct Manual lays out the guidelines for directors and executives to report stake holdings and for management and employees of the Company and its subsidiaries to report conflicts of interest. The manual also prescribes guidelines for submitting Connected Transactions as detailed in section "6.1.2 Policies and Guidelines for Shareholders and Stakeholders."

In 2023, the Company monitored the supervision and prevention of conflicts of interest as follows:

- All directors and executives prepared a declaration of interests of their own and/or related persons as prescribed by the Board of Directors.
- All Company employees reported information about their conflicts of interest or a related party, or both, per Company guidelines.
- Connected transactions for normal business engagements or supporting normal business under general trading conditions are considered and operated with transparency, in compliance with the guidelines set by the Board of Directors, and always engaged upon as if transacting with

a third party on the Company's behalf thus is conducted with the best interests of the Company at heart. Stakeholders with stakes associated with a connected party were excluded from the approval process. These transactions were reported to the Audit Committee quarterly.

Connected transactions with potential conflicts of interest or do not meet general trading conditions, or both, were reviewed by the Audit Committee and further presented to the Board of Directors or the shareholders for approval, depending on the size of the transaction. The Company strictly complied with relevant regulations and always ensured that complete and accurate disclosure of connected transactions was managed per regulatory and legal provisions.

In 2023, the Company received no complaints regarding directors or executives that engaged in activities that incurred conflicts of interest.

2. Insider Trading

The Corporate Governance and Code of Conduct Manual puts forth the Company Code of Conduct and guidelines for using inside information and the confidentiality of classified information. The details are shown in Section "6.1.2 Policies and Guidelines for Shareholders and Stakeholders." In 2023, the Company monitored the supervision and prevention of insider trading, i.e., the exploitation of inside information for personal advantage. The following actions were taken:

- The Company Secretary distributed a letter to request all directors, top executives, and Company personnel whose duty involves accessing and using inside information to refrain from buying, selling, transferring, or accepting transfers of Company securities for a period of one month prior to the public disclosure of financial statements for each quarter. Cooperation was also requested of the spouses and minor children of the Company personnel.
- The Company Secretary prepared a report on the Company securities holding of directors and executives and present to the Board of Directors every quarter.
- The Company supervised and ensured a Non-Disclosure Agreement was signed by Company personnel and third parties involved with ongoing projects or information that had yet to be disclosed to the public, or both, as a reminder to handle sensitive information with care and precaution and to refrain from disclosing such information to unauthorized parties.

In 2023, no director or executive was involved in insider trading and no trading of Company securities violated SEC regulations. The Company did not receive any complaints regarding a director or executive exploiting inside information for personal gain.

- 1) The executive involved in activities similar to those of the company Mr. Anuwat Lertchaiworagul, who holds the position of Chief Engineer in the company and is a shareholder and director of Nimit 317 Co., Ltd. ("Nimit 317"), a company engaged in similar business activities to the company. This information has been disclosed to the board of directors to prevent conflicts of interest. To prevent conflicts of interest that may arise, the company has entered into an agreement with Mr. Anuwat and Nimit 317, whereby Mr. Anuwat and Nimit 317 agree to grant the company the Right of First Refusal regarding any construction contracts. The board of directors has delegated the audit committee to provide opinions on matters related to conflicts of interest in accepting or rejecting proposals under the Right of First Refusal agreement, as proposed by the Executive Committee, to ensure that the acceptance or rejection of such proposals is reasonable and in the best interest of the company.

In the event that the audit committee resolves not to proceed with a project as proposed by the Executive Committee, such a resolution must garner the total votes of all members of the audit committee. Additionally, for such a meeting, all audit committee members must attend. If any audit committee member cannot physically attend the meeting, they are permitted to participate and vote electronically.

- 2) The company group has engaged in contracts for production and management services with Silasakol saraburi Co., Ltd., where Mr. Piyadit Atsavarisuk, a director of the company, is a shareholder. This contract involves operating a quarry for industrial stone mining in accordance with the concession granted. The audit committee has reviewed this transaction and opined that it is reasonable and serves the best interests of the company group. The company's board of directors subsequently approved the transaction.

Following the commencement of operations by Silasakol (Saraburi) Co., Ltd., the company group is inclined to engage in further transactions with them. These may include purchasing stone products obtained from the aforementioned quarrying operations, which are among the construction materials used in the

company group's construction projects. Additionally, there might be sales of construction materials to Silasakol (Saraburi) Co., Ltd Co., Ltd.

For such transactions, the company group will establish criteria and guidelines aligned with general trade practices. These criteria will be based on fair and reasonable prices and conditions, and they will be transparent and subject to verification. The audit committee will provide opinions, and the board of directors will consider approving the framework for these transactions.

1. Insider Trading for Interest

The board of directors is committed to ensuring that the company is well-governed, transparent, and fosters fairness for all stakeholders. Therefore, directors, executives, or employees of the company should refrain from trading securities of the company of which they are directors or executives. However, if such trading is necessary, it should be conducted with caution and without the use of non-public internal information, which has not been disclosed in the securities market of the Securities and Exchange Commission of Thailand (SEC). Trading in such a manner may be deemed as unfair to general investors and could potentially constitute illegal behavior. Upon trading, it is imperative to report such transactions in accordance with the regulations of the SEC and the Stock Exchange of Thailand (SET).

To prevent the misuse of internal company data for personal gain or for the benefit of others in an unauthorized manner, the company has established policies regarding securities trading and the use of internal data. These policies include principles and practices to guide the directors, executives, employees, and related parties of the company as follows:

- Utilization of Internal Information

Directors executives employees and staff of the company who are aware of or have access to internal information or are in positions or departments responsible for internal data, must not disclose financial information to others, whether directly or indirectly. This includes refraining from buying or selling securities of the company within the period preceding the disclosure of annual or quarterly financial reports for at least 30 days before the company discloses such information to the SEC. Furthermore, they should wait for at least 24 hours after the disclosure of such information before engaging in any transactions involving the buying or selling of securities of the company.

- Company Securities Holding Report

Directors and executives are required to prepare and submit reports of their own, their spouses', cohabitating partners', unmarried children's who are not yet of legal age, as well as legal entities where directors and executives, their spouses, cohabitating partners, and unmarried children who are not yet of legal age hold shares exceeding 30% of the total voting rights of such legal entities. These reports must be submitted to the company secretary, prior to submission to the SEC, following the specified format for reporting securities holdings. This should be done within 7 days from the date of appointment as a director and/or executive, or report changes in securities holdings within 3 business days from the date of buying, selling, transferring, or receiving transfers of securities.

In the year 2023, there were no directors or executives who failed to comply with the securities trading policy and the use of internal information.

The report of the company's securities holdings: The Board of Directors as on December 31,2023.

Name	Position	Common share (share)		
		On January 1, 2023	On December 31, 2023	Increase / Decrease
1. Mr. Chaiwat Utaiwan	Chairman of the Board	1,400,000	1,400,000	-
2. Mr. Veerasak Kositpaisal	Director	1,400,000	1,400,000	-
3. Mrs. Yupin Garnjanawigai	Director	725,000	725,000	-
4. Mr. Chainarong Chochai	Director	725,000	725,000	-
5. Assoc. Prof. Dr.Tanit Tongthong	Director	725,000	725,000	-
6. Mr. Piyadit Atsavarisuk* and Holding in Atsavarisuk Holding Co. Ltd.	Director	6,400,000	6,400,000	-
		450,000,000	450,000,000	-
7.Mr.Phantanont Lertwattanasasikul	Director	0	0	-

Remark : * Mr. Piyadit Atsavarisuk and Holding in Atsavarisuk Holding Co. Ltd. 48.89%

The report of the company's securities holdings: The Executive as on December 31,2023.

Name	Position	Common share (share)		
		On January 1, 2023	On December 31, 2023	Increase / Decrease
1. Mr. Piyadit Atsavarisuk* and Holding in Atsavarisuk Holding Co. Ltd.	Chief Executive Officer	6,400,000	6,400,000	-
	Chief Administrative Officer	450,000,000	450,000,000	-
2. Mr. Phanthanont Lertwattanasasikul	Chief Operating Officer	0	0	-
3. Mr. Anuwat Lertchaiworagul	Chief Machinery and Plant Officer	725,000	165,100	(559,900)
4. Mr. Kitisak Toa-talingchan	Chief Finance and Accounting Officer	43,000	43,000	-
5. Ms.Sawittree Phuengrasamee	Chief Executive Officer	0	0	-

Remark : * Mr. Piyadit Atsavarisuk and Holding in Atsavarisuk Holding Co. Ltd. 48.89%

2. Anti-Corruption

The company emphasizes the importance of conducting business with caution regarding corporate corruption, adhering to principles of good corporate governance, and ethical business practices for the maximum benefit of shareholders, stakeholders, and related parties. Therefore, the company establishes an anti-corruption policy as a guideline for directors, executives, and employees.

In the past year, the company has undertaken measures to prevent and combat corporate corruption, as follows:

- The Audit and Risk Management Committee is responsible for providing approval of the internal control system audit of the company every quarter. It mandates the implementation of internal control systems to mitigate the risk of corporate corruption, such as clear authorization policies based on roles, responsibilities, and accountabilities of each position. Additionally, it ensures the existence of an internal audit unit within the company to assess the operations of various departments, ensuring compliance with budgetary regulations, among other responsibilities. The committee also reports key issues to the company's board of directors for acknowledgment.
- The Audit and Risk Management Committee oversees and monitors the company's risk management at least once a year and provides recommendations for risk management to prevent corporate corruption within the company.
- The company disseminates its anti-corruption policy and whistleblowing policy, providing channels for whistleblowing or complaints on its website.
- It develops procurement processes by reviewing listings with individuals who may have conflicts of interest before proceeding with procurement. It regularly audits procurement operations by internal auditors.
- The company signs integrity agreements whenever entering into construction contracts with government agencies for projects valued at over 1,000 million baht. This is to collaborate on preventing and combating corruption in government procurement, ensuring transparent and fair operations.
- The company supports relevant employees in attending training courses and seminars on corruption prevention organized by external agencies to continually study, review, and develop the company's anti-corruption efforts.

During the past year, the company did not find any actions leading to corporate corruption.

3. Whistleblowing Policy:

The company establishes a whistleblowing and complaint policy to ensure that stakeholders involved in combating corporate corruption are confident in the company's transparent, secure, and fair whistleblowing and complaint channels and processes. This policy covers cases of suspicion or credible belief in the dishonest or non-transparent conduct of directors, employees, or any individual acting on behalf of the company. This includes but is not limited to the following events:

- Any form of risk-taking behavior, including corruption, bribery, and intimidation.
- Failure to perform duties or adhere to legal guidelines or principles of good corporate governance and business ethics of the company.
- Actions, conduct, or omissions in accounting, reporting, recording transactions, and financial reporting or internal control that deviate from standards or general practices.
- Acts of serious misconduct.
- Acts intended to harm or benefit the company.

The company has established channels for whistleblowing and complaints as follows:

1. Direct reporting to trusted superiors at all levels
 - human resources managers
 - company secretaries
 - audit committees
 - and company directors.
 -
2. Email: Directly to the audit committee at company_secretary@civilengineering.co.th.
3. Mail: Directly to The Board of Directors or The Audit Committee at
Civil Engineering Public Company Limited
68/12 CEC Building, 7th Floor, Kamphaeng Phet 6 Road,
Lad Yao Sub-district, Chatuchak District, Bangkok, 10900.

Additionally, the company secretary will coordinate the receipt, investigation, and follow-up of all whistleblowing and complaint matters through all channels.

Management of Complaints:

The company has delegated the Chairman of the Management Officers or the Board of Directors to appoint an investigation and fact-finding committee in cases where the accused party is a manager, board of directors, or subcommittee, or in cases of serious misconduct. This committee is responsible for collecting evidence and conducting investigations into whistleblowing or complaints. This includes examining documents, email correspondence, and other relevant information, as well as interviewing witnesses. The investigation process must be transparent and fair, and it should be completed within 1 month from the date of receiving the allegation/complaint. The investigation committee will inform the complainant of the outcome and summarize corrective measures for approval by the management officers.

The investigation and fact-finding committee comprise representatives from three units within the company:

1. Human Resources Department
2. Department responsible for the respondent or the complainant's unit
3. Other independent units, such as the accounting department, etc.

Whistleblowing and Complaint Investigations:

1. In cases where the accused party is found not guilty or the matter arises from a misunderstanding, appropriate advice is given, and no disciplinary action is taken. The investigation committee submits its findings and recommendations to the management officers and/or the audit committee (depending on the case) for approval. Once the conclusions are reached, the investigation committee informs the company secretary and the audit committee.
2. In cases where the accused party is found guilty and disciplinary action and/or legal proceedings are taken (if applicable), the investigation committee submits its opinions and recommendations to the management officers and/or the audit committee (depending on the case) for approval. Once the conclusions are reached, the investigation committee informs the company secretary and the audit committee.
3. In cases where complaints are made anonymously and additional information cannot be obtained, the matter is reported to the management officers and/or the audit committee (depending on the case) for further action.

Protection of Whistleblowers and Complainants:

1. Whistleblowers or complainants can provide information anonymously. The company will keep their identity and details confidential unless necessary for the investigation or required by law. If intentional disclosure of information occurs, the company will take disciplinary action and/or legal action against the violator, as appropriate.
2. The company will not tolerate any retaliation against whistleblowers or complainants, and disciplinary action will be taken against individuals who engage in such behavior. Whistleblowers or individuals assisting in investigations may request appropriate protective measures if they feel unsafe or at risk of harm.

In the fiscal year 2023, no complaints were reported through the company's various channels.

8.2 Audit and Risk Management Committee Performance

In the year 2023, The Audit and Risk Management Committee was a total of 5 meeting, with details of meeting attendance as follows:

No.	Name	Position	Attending Meeting / Total Meeting (Time)
1.	Mr. Veerasak Kositpaisal	Chairman of the Audit and Risk Management Committee	5/5
2.	Mrs. Yupin Garnjanawigai	Member of the Audit and Risk Management Committee	5/5
3.	Mr. Chainarong Chochai	Member of the Audit and Risk Management Committee	5/5

The audit and risk management committee have fulfilled their duties and responsibilities as the charter comprehensively includes:

1. Review the financial reports of the company and its subsidiaries, including quarterly and annual financial statements, significant accounting policies, and key audit matters, together with management and auditors. This ensures compliance with legal requirements and accounting standards, as well as accurate and sufficient disclosure of information in the financial statements.
2. Review the internal control system and internal audit reports, considering the annual internal audit plan based on the overall risk assessment to ensure coverage of all company operations. Providing recommendations and monitoring the performance of internal auditors to ensure independence and effectiveness.
3. Ensuring the company's compliance with securities laws, stock exchange regulations, and relevant laws pertaining to the company's business.
4. Considering, selecting, and proposing the appointment of the company's external auditors based on independence, qualifications, knowledge, capabilities, and past performance, including proposing their remuneration to the board for approval by shareholders. Meetings between the audit committee and auditors are held separately from management.
5. Reviewing and providing opinions on related-party transactions or transactions that may pose conflicts of interest, ensuring compliance with laws and stock exchange regulations to ensure that such transactions are reasonable and beneficial to the company.
6. Review and monitoring risk management and evaluating the results of risk management activities by the risk management team to ensure that the company's business operations are conducted with appropriate directions and risk management measures aligned with the company's operations.

These activities are conducted at every audit committee meeting to ensure effective oversight and governance.



Mr. Veerasak Kositpaisal
Chairman of the Audit and Risk Management Committee

8.3 Report of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee was a total of 1 meeting, with details of meeting attendance as follows:

No.	Name	Position	Attending Meeting / Total Meeting (Time)
1.	Assoc. Prof. Dr.Tanit Tongthong	Chairman of the Nomination and Remuneration Committee	1/1
2.	Mrs. Yupin Garnjanawigai	Member of the Nomination and Remuneration Committee	1/1

Note: The nomination and compensation committee appointments are made according to the resolution passed at the Company's Board Meeting No. 1/2023 held on February 24, 2023.

The nomination and remuneration committee has been actively involved in managing the company's operations and reviewing various significant matters before presenting them to the board for consideration. Their responsibilities as assigned by the board are following

The nomination

1. Assessing the criteria for selecting board members and sub-committee members, considering the appropriateness of the composition, structure, and components of the board. They define the qualifications of directors to propose to the board and/or shareholders for approval as applicable.
2. Reviewing, selecting, and screening candidates and their backgrounds for nomination as directors or senior management positions in cases of vacancies, based on reliable databases and criteria for selection.
3. Reviewing the criteria for succession planning for executive positions and recommending them to the board for approval.
4. Monitoring the development of succession plans and continuity in appropriate management positions, proposing them to the board for approval.
5. Evaluating the performance of the company's top executives and presenting them to the board for approval.

The Remuneration

6. Establishing clear and transparent criteria for board, committee, and executive compensation and benefits, proposing them to the board and/or shareholders for approval as applicable.
7. Providing recommendations on appropriate compensation for the board, committee members, and executives based on their duties and responsibilities.
8. Disclosing compensation policies and various forms of compensation in the company's annual reports.



Assoc. Prof. Dr.Tanit Tongthong

Chairman of the Nomination and Remuneration Committee

8.4 Report of the Executive Committee

The Executive Committee was a total of 25 meeting, with details of meeting attendance as follows:

No.	Name	Position	Attending Meeting / Total Meeting (Time)
1.	Mr. Piyadit Atsavasirisuk	Chairman of the Executive Committee	25/24
2.	Mr. Phanthanont Lertwattanasasikul	Member of the Executive Committee	25/25
3.	Mr. Anuwat Lertchaiworagul	Member of the Executive Committee	25/25
4.	Mr. Kitisak Toa-talingchan	Member of the Executive Committee	25/25
5.	Miss Sawittree Phuengrasamee	Member of the Executive Committee	25/25

The Executive Committee has been actively engaged in managing the company's operations and reviewing various significant matters before presenting them to the board for further consideration. Their responsibilities, as delegated by the board, encompass the following areas:

1. Establishing strategies, business plans, annual budgets, and investment plans of the company, including organizational structures, authorization powers, and management of the company. These are proposed to the board for approval.
2. Reviewing and screening all types of proposals from departments/units and policies, objectives, strategies, business operations, investments, partnerships, business expansions, and budgets. These are presented to the board for consideration and approval.
3. Monitoring and enforcing policies and management guidelines across various aspects of the company as assigned by the board.
4. Supervising, providing advice, consultation, policies, strategies, objectives, operational plans, and annual budgets to the management, and reporting the company's performance to the board for acknowledgment.
5. Approving and executing various matters related to the company's operations according to the Delegation of Authority schedule set by the board.
6. These actions ensure that the company's operations are in line with its objectives and effectively managed.



Mr. Piyadit Atsavasirisuk
Chairman of the Executive Committee

9. Internal Control and Related Party Transactions

9.1 Internal Control

The Board of Directors' Opinion Related to Internal Control of the Company and Subsidiaries

The board of directors acknowledges the importance of having a robust internal control system and considers it a crucial responsibility to ensure that the company has an adequate and appropriate internal control system to oversee operations in line with objectives, regulations, and relevant requirements efficiently. This system aims to prevent fraud, losses, and ensure the accurate and reliable preparation of financial statements and reports, with sufficient disclosure of information, completeness, and timeliness, all within an appropriate timeframe.

At the Meeting of the Audit and Risk Committee No. 1/2024, held on February 23, 2024, with all three members of the audit and risk management committee in attendance, the board evaluated the adequacy of the internal control system of the company. This evaluation utilized the internal control system assessment questionnaire provided by the Office of the Auditor General of Thailand (OAGT), along with inquiries made to the company's management. Additionally, reference was made to the overall internal audit reports prepared by the company's internal audit firm, Dharmniti Co., Ltd. The evaluation was conducted in accordance with the framework outlined by The Committee of Sponsoring Organizations of Treadway Commission (COSO). The board concluded that, based on the assessment of the internal control systems of the company and its subsidiaries across the five components as outlined by COSO are follow:

- (1) Control Environment
- (2) Risk Assessment
- (3) Control Activities
- (4) Information and Communication
- (5) Monitoring Activities

The board of directors is of the opinion that both the company and its subsidiaries have comprehensive internal control systems that are in good standing. These systems are deemed adequate and appropriate for the size of the operations and the current circumstances of the company. The company and its subsidiaries have allocated sufficient personnel to effectively operate within these systems. Additionally, the company has implemented internal control mechanisms to monitor and oversee the operations of its subsidiaries, thereby safeguarding the assets of both the company and its subsidiaries from unauthorized use by directors or executives. Furthermore, measures are in place to mitigate conflicts of interest and dealings with related parties adequately. In terms of other aspects of internal control, the board believes that the company's internal control mechanisms are also sufficient.

Furthermore, Dharmniti has prepared internal audit reports for both the company and its subsidiaries and presented them regularly to the audit and risk management committee, as well as the board of directors, on a quarterly basis. The company has implemented corrective measures and improvements to its internal operational systems across various areas in accordance with the recommendations of the auditors. These actions aim to enhance the effectiveness of the internal control systems within the company group.

EY Office Limited, the company's accounting auditor for the group, did not identify any significant deficiencies from the assessment and testing of internal controls related to the audit of financial statements. Additionally, no internal control system observations were reported for the year 2023 to the company. The accounting auditor presented the results of the assessment and testing of internal controls related to the financial statement audit at the meeting of the audit and risk management committee no. 1./2023 on February 23, 2024, and at the meeting of the board of directors no. 1/2024 on February 27, 2024.

The company has appointed an internal audit office directly reporting to the company's audit committee to support independent, efficient, and effective oversight of internal auditing functions. This decision was resolved and approved at the meeting of the audit and risk management committee no. 1/2023 on February 23, 2024, and at the meeting of the board of directors no. 1/2024 on February 27, 2024. The appointed internal audit firm is Dharmniti Co., Ltd., tasked with auditing and assessing the internal control systems of the company. Dharmniti Co., Ltd. has designated Miss Kitlada Samngam, who holds the position of executive director, to serve as the head of the internal audit department of the company. Miss Kitlada Samngam possesses the qualifications, educational background, and relevant training and experience necessary to effectively oversee the aforementioned functions. Further details can be found in attachment 3.

The audit committee shall be responsible for selecting the head of the internal audit department, considering qualifications, knowledge, skills, and experience, as well as assessing the performance of the head of the internal audit department annually. Additionally, any transfers or removals of the head of the internal audit department must be approved by the audit committee.

In the future, the company may consider establishing an internal audit department to conduct audits and evaluate the internal control systems of the company, replacing the hiring outsource.

9.2 The Related Party Transactions

Details of individuals who may have conflicts and relationships as of December 31, 2023

Individuals who may have conflicts and business practices	Relationships as of December 31, 2023
1. Silasakol Saraburi Co., Ltd ("Silasakol Saraburi") Operating a stone milling business	- Joint shareholders include: - Mr. Piyadit, who is a director, executive, and shareholder of the company, holding a direct share of 0.91% and an indirect share through Atsavasisiruk Holdings co., Limited ("Atsavasisiruk Holdings"), with Piyadit holding 48.89% in Atsavasisiruk Holdings, and Atsavasisiruk Holdings holding 64.29% in the company. Mr. Piyadit is a direct shareholder and director in Silasakol Saraburi. with an 80.00% share. - The Atsavasisiruk family, who are shareholders of the company, hold a direct share of 5.96% and an indirect share through Atsavasisiruk Holdings, with the Atsavasisiruk family holding 95% in Atsavasisiruk Holdings. The Atsavasisiruk family holds an indirect share in Silasakol Saraburi of 10.00%¹. - Mr. Phanthanont Lertwattanasikul, a company director, holds a direct share in Silasakol Saraburi of 10.00%.
2. Nai Mueng Co., Ltd ("Nai Muang") Operating a stone milling business (Currently, there is no business operation)	- Joint shareholders include: - Mr. Piyadit, who is a director, executive, and shareholder of the company, holding a direct share of 0.91% and an indirect share through Atsavasisiruk Holdings, with Piyadit holding 48.89% in Atsavasisiruk Holdings, and Atsavasisiruk Holdings holding 64.29% in the company. Mr. Piyadit is a direct shareholder in the mine with a 10.00% share. - The Atsavasisiruk family, who are shareholders of the company, hold a direct share of 5.96% and an indirect share through Atsavasisiruk Holdings, with the Atsavasisiruk family holding 95% in Atsavasisiruk Holdings. The Atsavasisiruk family holds an indirect share in Nai Muang of 90.00%²
3. Jib Tai Cafe ("JibTai Cafe") Operating a food and beverage retail business	- Mr. Piyadit, who is a director, executive, and shareholder of the company, owns the Jib Tai Cafe. - Mr. Piyadit is a director, executive, and shareholder of the company, holding a direct share of 0.91% and an indirect share through Atsavasisiruk Holdings, with Piyadit holding 48.89% in Atsavasisiruk Holdings, and Atsavasisiruk Holdings holding 64.29% in the company. - Mr. Piyadit owns the Jib Tai Cafe.
4. Mr. Aree Atsavasisiruk ("Mr. Aree") ³	Mr. Aree is an indirect shareholder of the company through Atsavasisiruk Holdings, with Mr. Aree holding 11.11% in Atsavasisiruk Holdings, and Atsavasisiruk Holdings holding 64.29% in the company.
5. Mrs. Naowarat Wattanaworalak ("Mr. Naowarat")	- Mrs. Naowarat is a direct shareholder of the company with a 3.57% share. - Mrs. Naowarat is the mother of Mr. Piyadit.
6. Mr. Pitchaporn Suksathapompong ("Mr. Pitchaporn")	Mrs. Pitchaporn is a shareholder of the company, holding a direct share of 0.90% and an indirect share through Atsavasisiruk Holdings, with Mrs. Pitchaporn holding 15.00% in Atsavasisiruk Holdings, and Atsavasisiruk Holdings holding 64.29% in the company.
7. Mr. Piyadit Atsavasisiruk ("Mr. Piyadit")	Mr. Piyadit is a director, executive, and shareholder of the company, holding a direct share of 0.91% and an indirect share through Atsavasisiruk Holdings, with Mr. Piyadit holding 48.89% in Atsavasisiruk Holdings, and Atsavasisiruk Holdings holding 64.29% in the company.

Note: ¹ Holds shares through another person in the proportion of 10.00%, and the Atsavasisiruk family has appointed another person to serve as a representative on the board.

² Holds shares through another person in the proportion of 90.00% and the Atsavasisiruk family has appointed another person to serve as a representative on the board.

³ Mr. Aree Atsavasisiruk passed away in February 2021.

Details of the transactions between each other that occurred for the year ending December 31, 2021, to December 31, 2023.

9.2.1 Transactions that will continue to occur in the future.

1) Office building leasing transactions

Nature of transaction	Individuals who may have conflicts / Transaction	Amount (million baht) For the year ended December 31,			The necessity and rationale of the transaction
		2021	2022	2023	
CCSP leases office space to Jib Tai Café	Jib Tai Cafe • Revenue • Account Receivable	0.39 -	0.39 -	0.39 -	CCSP owns the CEC building, which serves as the headquarters for the group of companies. As CCSP has some unused space in the CEC building, it has leased out part of the space in the CEC building to others, including Jib Tai Cafe, which rents space in the CEC building for its coffee shop and food sales business, covering an area of 93 square meters. On December 21, 2023, the company renewed the lease for another 3 years, from January 1, 2024, to December 31, 2026, without changing the leased area but increasing the rent rate by 3%. CCSP charges Jib Tai Cafe a rental rate comparable to that of other external tenants, including comparable commercial terms offered to other external tenants. Audit Committee's Opinion The Audit Committee believes that the transaction is reasonable, as leasing the space helps increase revenue for CCSP from the unused space of the CEC building. Additionally, CCSP charges rent for the space and sets commercial terms that are comparable to those offered to other external tenants.

2) Land lease transactions

Nature of transaction	Individuals who may have conflicts / Transaction	Amount (million baht) For the year ended December 31,			The necessity and rationale of the transaction
		2021	2022	2023	
CCSP leases land from Mrs. Naowarat, Mr. Piyadit, Mr. Aree, Silasakol Saraburi co., Ltd, and Nai Muang co., Ltd.	1. Mrs. Naowarat Wattanawarak • Expense • Accrued expense	3.60 -	3.60 -	3.60 -	CCSP leases plot number 2700, Lat Yao, Bang Khen (Bang Sue) district, Bangkok, with an area of 2 Rai 85 wah from Mrs. Naowarat, which is the location of the CEC building. The lease agreement lasts for 25 years, starting from January 1, 2018, and ending on December 31, 2042, with a rental rate of 4,067.80 Baht per square wah per year, payable monthly. The company group has hired an external appraiser to assess the rental rate, which is comparable to the rates assessed by external appraisers. Opinion of the Audit Committee The Audit Committee believes that the transaction is reasonable and beneficial to CCSP by leasing land from Mrs. Naowarat for the CEC building location, which serves as the company's headquarters. Mrs. Naowarat charges CCSP a rental rate comparable to the rates assessed by external appraisers, with standard business payment terms.
	2. Mr. Piyadit Atsavisirisuk • Expense • Accrued expense	0.20 -	0.20 -	0.32	In 2023, the company group used land in Phukhamjan district, Phra Phutthabat district, and Na Phra Lan district, Chaloem Phra Kiat district, Saraburi province, totaling 9 plots with a combined area of 160 Rai 3 Ngan 43.38 wah from Mr. Piyadit, Mr. Aree, and Silasakol Saraburi, for the location of the Saraburi plant for ready-mixed concrete production, asphalt concrete production, precast concrete components, and as a repair center for the company group.
	3. Mr. Aree ¹ Atsavisirisuk • Expense • Accrued expense	0.08 -	0.08 -	0.36 -	The lease agreement lasts for 3 years, ending on December 31, 2023. The company group has renewed the lease for another 3 years, starting from January 1, 2024, and ending on December 31, 2026, with a 3% increase in the rental rate based on the original rate. The contract terms remain unchanged.
	4. Silasakol Saraburi Co., Ltd • Expense • Account Payable • Accrued expense	0.08 -	0.08 -	0.08	The company group calculates the rental rate based on the area size, comparing it to the rates for nearby areas paid to government agencies. The rental rate paid to potentially conflicting individuals is comparable to the rates for nearby areas paid to government agencies. The lessor agrees to allow the company group to renew the land lease agreement every 3 years or as requested by the company group, agreeing to increase the rental rate by 3% of the most recent year's rent every 3 years. Opinion of the Audit Committee The Audit Committee believes that the transaction is necessary for the company group's business operations, as the land lease agreements are beneficial to the company group, with rental rates for the land being comparable to those assessed by external appraisers, and the commercial terms being reasonable.

Nature of transaction	Individuals who may have conflicts / Transaction	Amount (million baht) For the year ended December 31,			The necessity and rationale of the transaction
		2021	2022	2023	
	5. Nai Muang Co., Ltd • Expense	0.52	0.52	0.40	In 2023, the company group changed the land area used in the Tab Prik district, Mueang Krabi district, Krabi province, totaling 3 plots with a combined area of 5,600 square wah, from Nai Muang, to locate the Krabi plant for ready-mixed concrete production and an asphalt concrete plant of the company group. The lease was renewed for another 3 years, starting from January 1, 2023, to December 31, 2025, with a 3% increase in rent from the previous year's rate. The company group calculates the rental rate from the size of the area, comparing it to similar area rental rates, ensuring that the rates paid to Nai Muang are comparable. The lessor agrees to allow the company group to renew the land lease agreement every 3 years or as requested by the company group, agreeing to increase the rental rate by 3% of the most recent year's rent every 3 years. Opinion of the Audit Committee The Audit Committee believes that the transaction is necessary for the business operations of the company group. The land lease agreement benefits the company group, with rental rates that are comparable to those assessed by independent valuers and commercial terms that are reasonable.
	6. Mr.Piyadit Atsavasirisuk • Expense • Account Payable	2.00 -	2.00 1.00	2.06 1.03	The company group utilizes land located at kilometer marker 42, in Han Sang subdistrict, Bang Pahan district, Ayutthaya province, comprising a total of 3 plots with a combined area of 21 Rai 3 Ngan 89.76 Wah (excluding the water pond area) for the purpose of establishing an asphalt concrete plant. The lease agreement has a duration of 3 years, starting from January 1, 2020, and ending on December 31, 2022, with the condition of annual rent payment calculated by the company group based on the rental rates assessed by external valuers. The lessor agrees to allow the company group to renew the land lease every 3 years or as requested by the company group, agreeing to increase the rent by 3% of the most recent year's rate for every 3-year period. Subsequently, the company group renewed the land lease for another 3 years, from January 1, 2023, to December 31, 2025, with an increase in the rental rate of 3% from the 2022 rate. The terms of the contract remained unchanged from the original. Opinion of the Audit Committee The Audit Committee believes that the transaction is necessary for the business operations of the company group. The land lease agreement benefits the company group, with rental rates that are comparable to those assessed by independent valuers and commercial terms that are reasonable.

3) Consultancy Contract with Mrs. Pitchaporn

Nature of transaction	Individuals who may have conflicts / Transaction	Amount (million baht) For the year ended December 31,			The necessity and rationale of the transaction
		2021	2022	2023	
Consultancy contract with Mrs. Pitchaporn	Mrs. Pitchaporn Suksathapornpong • Expense	2.50 ²	2.40	2.40	The company group has hired Mrs. Pitchaporn as a consultant to provide advice on business and the construction industry, with the hiring rate is comparable to the average executive compensation within the company. Mrs. Pitchaporn has over 40 years of experience in managing the company group and in the construction business. However, in 2023, the company group entered a consultancy contract with Mrs. Pitchaporn, characterized as an annual contract, starting from January 1, 2023, to December 31, 2023, with the hiring rate is unchanged from 2022. Opinion of the Audit Committee The Audit Committee believes that the transaction is reasonable and beneficial to the company group, as it supports the business to operate more efficiently. Mrs. Pitchaporn's extensive experience in managing the company group and in the construction industry for over 40 years adds significant value.

Note: ²Including a bonus compensation from the annual performance of 2020 in the first quarter of 2021

4) Limestone Mining Management Contract Under Concession

Nature of transaction	Individuals who may have conflicts / Transaction	Amount (million baht) For the year ended December 31,			The necessity and rationale of the transaction
		2021	2022	2023	
Hiring Silasakol Saraburi Co., Ltd. to manage limestone mining under a concession	Silasakon Saraburi Co., Ltd. • Expense • Account Payable	- -	31.98 4.42	68.49 6.32	The process begins with blasting rock faces within the concession area to extract large rocks, transporting them to Sila Global (Saraburi) Co., Ltd.'s processing plant for production into stone products (stone milling), including the right to set and sell prices to external customers and manage inventory control. The contract was set for a 5-year period, starting from January 1, 2022, and ending on December 31, 2026, with a compensation rate of 80% of the revenue from the sale of stone products. Opinion of the Audit Committee The Audit Committee has reviewed and opines that entering such a transaction offers a return comparable to other publicly known stone quarry businesses, with reasonable commercial terms, and serves the best interest of the company group.

9.3 Measures or procedures for approving related party transactions and policies for future related party transactions

Measures and procedures for approving related party or associated transactions.

For related party or associated transactions, the responsible personnel and relevant officers must strictly adhere to the requirements of the Securities and Exchange Act B.E. 2535 (1992) (including its amendments), related principles of the Stock Exchange, the Securities and Exchange Commission (SEC), regulatory body requirements, and company policies. This also includes complying with disclosure requirements for related party or associated transactions in the notes to the audited financial statements and in the annual information form (Form 56-1). In conducting such transactions, the company will monitor and oversee the transactions to ensure that no interested parties involved in the transaction participate in the decision-making process for related or associated transactions. The company's board has established a procedure for approving related or associated transactions under an ethical framework and vetted by the Audit Committee considering the company's and shareholders' best interests. This includes ensuring compliance with related market, SEC, and company regulations, considering conditions to be in line with market prices and commercial business practices (Fair and at Arm's Length Basis), comparing market prices, and/or having prices or conditions on the same level as external parties. It also involves considering the accuracy and completeness of public disclosures of related or associated transactions.

For normal business transactions or transactions supporting the normal business of the company that may occur continuously in the future, the company has a policy to set a framework for such transactions, which must have commercial agreements in the same manner as a prudent person would conduct with a general contractor under the same circumstances, without the influence of being a director, executive, or related person, and without transferring benefits and/or showing that the transaction terms are reasonable or fair. If the company's board approves the above transaction framework in principle, the company's management can immediately proceed with transactions within the set framework without needing further approval from the board. The company will compile a report summarizing related or associated transactions to be reported at the Audit Committee meeting and the company board meeting every quarter to comply with the Securities and Exchange Act, regulations, announcements, orders, or requirements of the SEC, the Capital Market Supervisory Board, and the Stock Exchange.

If there are other transactions that are related party or associated transactions, the company must present them to the Audit Committee for an opinion on the appropriateness of the price and the reasonableness of the transactions. If the Audit Committee lacks expertise in considering related transactions, the company will arrange for an independent knowledgeable and specialized person, such as an auditor or property valuer, to provide an opinion for the company board or shareholders' consideration, as appropriate. Those who may have a conflict of interest or a stake in the transaction will not have the right to vote on approving the transaction to ensure that entering such transactions will not transfer or convey the company's benefits but will consider the company's and all shareholders' best interests.

Future related party or associated transactions

Related party or associated transactions of the company that have occurred and may occur in the future will be normal business operations, primarily considering the company's best interest, like transactions with external parties (Arm's Length Basis). This includes having a monitoring and auditing system to ensure that transactions are carried out correctly and reasonably and disclosed according to related market, SEC, and regulatory body requirements strictly.

For normal business transactions or transactions supporting the normal business that may occur continuously in the future.

The company will set criteria and guidelines for conducting transactions in general commercial practices, referring to appropriate and fair prices and conditions, verifiable, and present them to the Audit Committee for opinion and the company board for approval of the transaction framework.

9.4 Future prospects for related party transactions

The company expects that future normal business transactions or transactions supporting the normal business of the company and its subsidiaries, such as construction material sales, office building leases, land leases, consulting engagements (Mrs. Pitchaporn), and transactions involving related persons mortgaging personal assets as collateral, will continue to occur. The company will conduct these transactions at prices and conditions according to normal commercial terms. However, guarantee transactions by potentially conflicting individuals and property insurance transactions will not continue in the future.



03 Financial Statements



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Independent Auditor's Report

To the Shareholders of Civil Engineering Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Civil Engineering Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Civil Engineering Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Civil Engineering Public Company Limited and its subsidiaries and of Civil Engineering Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond to the matter are described below.

Recognition of revenue from construction services

In 2023, the Group recognised revenue from construction services amounting to Baht 4,704 million and Baht 2,393 million in the consolidated statement of comprehensive income and the separate statement of comprehensive income, respectively, which were significant transactions. The Group recognises revenue from construction services in accordance with the accounting policy described in Note 4.1 to the financial statements. I focused my audit on the process of measurement, the determination of appropriate timing of revenue recognition and the estimates of possible losses since these areas require management to exercise significant judgement to assess the percentage of completion of construction work, the probability of loss, and the measurement of possible losses. There are therefore risks with respect to the amount and timing of the recognition of revenue from construction services and the estimates of possible losses from construction contracts.

I examined the recognition of revenue from construction contracts and the provision for losses on construction projects by assessing and testing the effectiveness of the internal controls put in place by the Group over the procurement process, the estimation of project costs and revisions thereto, the recognition of revenue and the estimation of percentage of work completion and possible losses from construction projects, through making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed key controls. I also read the construction contracts to consider the conditions relating to revenue recognition, made enquiry of responsible executives, gained an understanding of the Group's process for assessing the percentage of completion and making cost estimates for projects, and checked the estimated project costs to the project budgets. I checked actual costs against supporting documents, tested the calculation of the percentage of completion based on actual construction costs incurred, performed analytical procedures on gross margins of construction projects and compared the percentage of completion as evaluated by the project engineer to the percentage of completion based on actual construction costs incurred. In addition, I evaluated the possible losses on projects assessed by the management through an analysis of the ratio of actual cost incurred against cost estimates for projects for each significant cost component.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

I am responsible for the audit resulting in this independent auditor's report.



Klot Suwantarangsri

Certified Public Accountant (Thailand) No. 8025

EY Office Limited

Bangkok: 27 February 2024

Civil Engineering Public Company Limited and its subsidiaries

Statements of financial position

As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Assets					
Current assets					
Cash and cash equivalents	7	474,814,008	547,469,985	94,514,641	179,028,211
Trade and other receivables	6, 8	321,835,121	647,416,497	173,559,406	442,362,275
Contract assets					
Unbilled receivables	9	4,023,669,344	3,580,582,294	2,282,590,571	2,034,489,408
Retention receivables		346,367,762	387,116,714	119,469,148	156,076,703
Short-term loans to a related party	6	-	-	160,000,000	200,000,000
Inventories and construction supplies	10	230,457,543	217,142,532	103,848,507	103,964,812
Advance payment to contractors and deposit for purchases of goods	6	350,687,014	316,436,306	87,954,527	115,189,439
Other current financial assets		-	251,461,025	-	251,461,025
Other current assets		295,440,139	251,604,139	134,396,082	141,467,724
Total current assets		6,043,270,931	6,199,229,492	3,156,332,882	3,624,039,597
Non-current assets					
Restricted bank deposits	11	379,505,820	357,454,024	182,444,524	189,628,230
Investments in subsidiaries	12	-	-	700,979,500	700,979,500
Investment properties	14	121,563,400	130,049,236	-	-
Property, plant and equipment	15	760,933,158	803,742,167	268,555,110	249,628,066
Right-of-use assets	16	123,339,527	135,469,047	61,272,852	69,082,810
Intangible assets	17	12,856,445	12,130,164	6,364,692	5,271,445
Deferred tax assets	27	56,452,741	46,132,540	7,804,503	6,551,873
Other non-current assets		165,433,244	100,724,682	39,069,794	19,381,195
Total non-current assets		1,620,084,335	1,585,701,860	1,266,490,975	1,240,523,119
Total assets		7,663,355,266	7,784,931,352	4,422,823,857	4,864,562,716

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

Civil Engineering Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	18	2,015,824,326	2,180,825,018	1,195,846,219	1,199,262,504
Trade and other payables	6, 19	1,178,726,397	1,481,680,357	665,436,584	810,663,463
Short-term loans from a related party	6	-	-	10,000,000	10,000,000
Current portion of lease liabilities	16	50,732,817	57,321,012	22,586,428	23,457,176
Retention payables		318,145,997	273,229,891	101,975,789	76,873,839
Contract liabilities	9				
Construction revenue received in advance		-	16,195,570	-	-
Advances received from hirers		1,944,687,317	1,730,534,040	790,933,465	1,166,894,717
Income tax payable		7,676,558	8,370,038	-	-
Provision for liabilities arising from legal cases	20	49,160,853	49,655,356	-	-
Other current liabilities		36,139,888	71,689,394	2,309,803	12,074,756
Total current liabilities		5,601,094,153	5,869,500,676	2,789,088,288	3,299,226,455
Non-current liabilities					
Lease liabilities - net of current portion	16	87,622,192	97,450,505	21,454,369	26,002,742
Provision for warranty on construction projects	21	34,303,118	21,751,931	10,733,137	8,942,808
Provision for long-term employee benefits	22	80,087,910	75,906,214	40,075,584	37,053,719
Other non-current liabilities		60,581,950	581,950	60,000,000	-
Total non-current liabilities		262,595,170	195,690,600	132,263,090	71,999,269
Total liabilities		5,863,689,323	6,065,191,276	2,921,351,378	3,371,225,724

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

Civil Engineering Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Shareholders' equity					
Share capital					
Registered					
700,000,000 ordinary shares of Baht 1 each		700,000,000	700,000,000	700,000,000	700,000,000
Issued and fully paid					
700,000,000 ordinary shares of Baht 1 each		700,000,000	700,000,000	700,000,000	700,000,000
Share premium		698,534,811	698,534,811	698,534,811	698,534,811
Deficit on business combination under common control					
		(77,880,102)	(77,880,102)	-	-
Retained earnings					
Appropriated - statutory reserve	23	40,910,000	39,800,000	38,410,000	37,300,000
Unappropriated		438,101,234	359,285,367	64,527,668	57,502,181
Total shareholders' equity		1,799,665,943	1,719,740,076	1,501,472,479	1,493,336,992
Total liabilities and shareholders' equity		7,663,355,266	7,784,931,352	4,422,823,857	4,864,562,716

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

W=0997, 07/11/23

W=0997, 07/11/23



Civil Engineering Public Company Limited and its subsidiaries

Statements of comprehensive income

For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Revenues					
Revenue from construction services and sales of construction materials		4,872,062,904	6,047,995,786	2,468,692,025	3,288,512,733
Rental income		20,589,534	15,916,474	33,184,210	40,941,644
Other income	24	42,052,286	30,822,397	40,647,912	18,252,285
Total revenues		<u>4,934,704,724</u>	<u>6,094,734,657</u>	<u>2,542,524,147</u>	<u>3,347,706,662</u>
Expenses					
Cost of construction services and cost of sales of construction materials		4,507,522,181	5,681,383,418	2,319,606,102	3,090,805,404
Cost of rental		11,635,549	10,055,657	14,685,867	15,641,461
Administrative expenses		298,800,777	316,311,087	191,882,234	193,557,082
Total expenses		<u>4,817,958,507</u>	<u>6,007,750,162</u>	<u>2,526,174,203</u>	<u>3,300,003,947</u>
Operating profit		<u>116,746,217</u>	<u>86,984,495</u>	<u>16,349,944</u>	<u>47,702,715</u>
Finance income		4,623,195	1,937,049	11,746,441	10,997,139
Finance cost	25	(5,343,822)	(4,335,512)	(1,708,337)	(1,960,742)
Profit before income tax expenses		<u>116,025,590</u>	<u>84,586,032</u>	<u>26,388,048</u>	<u>56,739,112</u>
Income tax expenses	27	(22,106,979)	(20,102,449)	(4,259,817)	(10,833,977)
Profit for the year		<u>93,918,611</u>	<u>64,483,583</u>	<u>22,128,231</u>	<u>45,905,135</u>
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial loss - net of income tax	22	-	(1,375,846)	-	(250,998)
Other comprehensive income for the year		<u>-</u>	<u>(1,375,846)</u>	<u>-</u>	<u>(250,998)</u>
Total comprehensive income for the year		<u>93,918,611</u>	<u>63,107,737</u>	<u>22,128,231</u>	<u>45,654,137</u>
Basic earnings per share	28				
Profit attributable to equity holders of the Company		<u>0.13</u>	<u>0.09</u>	<u>0.03</u>	<u>0.07</u>

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

Civil Engineering Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the year ended 31 December 2023

(Unit: Baht)

Consolidated financial statements						
Note	Issued and fully paid-up share capital	Share premium	Deficit on business combination under common control	Retained earnings		Total shareholders' equity
				Appropriated	Unappropriated	
Balance as at 1 January 2022	500,000,000	-	(77,880,102)	37,500,000	312,477,536	772,097,434
Profit for the year	-	-	-	-	64,483,583	64,483,583
Other comprehensive income for the year	-	-	-	-	(1,375,846)	(1,375,846)
Total comprehensive income for the year	-	-	-	-	63,107,737	63,107,737
Increase share capital	200,000,000	720,000,000	-	-	-	920,000,000
Transaction costs	-	(21,465,189)	-	-	-	(21,465,189)
Dividend paid	31	-	-	-	(13,999,906)	(13,999,906)
Unappropriated retained earnings transfer to statutory reserve	23	-	-	2,300,000	(2,300,000)	-
Balance as at 31 December 2022	<u>700,000,000</u>	<u>698,534,811</u>	<u>(77,880,102)</u>	<u>39,800,000</u>	<u>359,285,367</u>	<u>1,719,740,076</u>
Balance as at 1 January 2023	700,000,000	698,534,811	(77,880,102)	39,800,000	359,285,367	1,719,740,076
Profit for the year	-	-	-	-	93,918,611	93,918,611
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	93,918,611	93,918,611
Dividend paid	31	-	-	-	(13,992,744)	(13,992,744)
Unappropriated retained earnings transferred to statutory reserve	23	-	-	1,110,000	(1,110,000)	-
Balance as at 31 December 2023	<u>700,000,000</u>	<u>698,534,811</u>	<u>(77,880,102)</u>	<u>40,910,000</u>	<u>438,101,234</u>	<u>1,799,665,943</u>
						-

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

Civil Engineering Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the year ended 31 December 2023

(Unit: Baht)

Separate financial statements					
Note	Issued and fully paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
			Appropriated	Unappropriated	
Balance as at 1 January 2022	500,000,000	-	35,000,000	28,147,950	563,147,950
Profit for the year	-	-	-	45,905,135	45,905,135
Other comprehensive income for the year	-	-	-	(250,998)	(250,998)
Total comprehensive income for the year	-	-	-	45,654,137	45,654,137
Increase share capital	200,000,000	720,000,000	-	-	920,000,000
Transaction costs	-	(21,465,189)	-	-	(21,465,189)
Dividend paid	31	-	-	(13,999,906)	(13,999,906)
Unappropriated retained earnings transferred to statutory reserve	23	-	2,300,000	(2,300,000)	-
Balance as at 31 December 2022	<u>700,000,000</u>	<u>698,534,811</u>	<u>37,300,000</u>	<u>57,502,181</u>	<u>1,493,336,992</u>
Balance as at 1 January 2023	700,000,000	698,534,811	37,300,000	57,502,181	1,493,336,992
Profit for the year	-	-	-	22,128,231	22,128,231
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	22,128,231	22,128,231
Dividend paid	31	-	-	(13,992,744)	(13,992,744)
Unappropriated retained earnings transferred to statutory reserve	23	-	1,110,000	(1,110,000)	-
Balance as at 31 December 2023	<u>700,000,000</u>	<u>698,534,811</u>	<u>38,410,000</u>	<u>64,527,668</u>	<u>1,501,472,479</u>

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

Civil Engineering Public Company Limited and its subsidiaries**Cash flow statements****For the year ended 31 December 2023**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash flows from operating activities				
Profit before tax	116,025,590	84,586,032	26,388,048	56,739,112
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	189,362,611	265,904,749	68,083,581	95,509,095
Gain on sales of machinery and equipment	(10,178,582)	(10,044,911)	(4,242,143)	(3,591,622)
Gain on cancel of lease contracts	(161,662)	-	(161,662)	-
Gain on sales of financial assets	(1,314,923)	(81,569)	(1,314,923)	(81,569)
Provision for warranty on construction projects	22,427,282	16,792,481	2,155,467	8,920,642
Provision for long-term employee benefits	6,064,476	5,240,944	3,559,363	2,684,522
Provision for losses on construction project (reversal)	(811,292)	1,103,465	-	-
Unrealised loss (gain) on foreign exchange	(494,503)	1,630,614	-	-
Gain on fair value adjustments of financial assets	-	(1,461,025)	-	(1,461,025)
Finance income	(4,623,195)	(1,937,049)	(11,746,441)	(10,997,139)
Finance cost	5,343,822	4,335,512	1,708,337	1,960,742
Profit from operating activities before changes in operating assets and liabilities	321,639,624	366,069,243	84,429,627	149,682,758
Operating assets (increase) decrease				
Trade and other receivables	326,490,087	(29,837,745)	279,299,786	(200,640,777)
Unbilled receivables	(443,087,050)	(1,007,262,104)	(248,101,163)	(979,533,867)
Retention receivables	40,748,952	(110,646,109)	36,607,555	(39,134,918)
Inventories and construction supplies	(13,315,011)	(11,741,077)	116,305	(35,117,066)
Advance payment to contractors and deposit for purchases of goods	(34,250,708)	54,468,247	27,234,912	41,777,291
Other current assets	(45,309,519)	(122,570,586)	5,598,123	(80,592,381)
Other non-current assets	5,170,414	11,809,891	45,100	294,343
Operating liabilities increase (decrease)				
Trade and other payables	(296,571,996)	33,066,543	(139,056,313)	130,893,672
Retention payables	44,916,106	58,252,312	25,101,950	19,498,441
Construction revenue received in advance	(16,195,570)	4,875,474	-	(11,320,096)
Advances received from hirers	214,153,277	(387,034,723)	(375,961,252)	(214,291,827)
Other current liabilities	(34,738,214)	43,767,735	(9,764,953)	4,228,108
Other non-current liabilities	60,000,000	-	60,000,000	-
Payment of warranty claim	(9,876,095)	(10,943,865)	(365,138)	(6,372,767)
Payment of long-term employee benefits	(1,882,780)	(3,420,038)	(537,498)	(1,115,685)
Cash flows from (used in) operating activities	117,891,517	(1,111,146,802)	(255,352,959)	(1,221,744,771)
Cash paid for interest expenses	(4,643,067)	(4,281,336)	(731,304)	(2,162,601)
Cash received from refund of corporate income tax	-	56,934,351	-	8,319,743
Cash paid for corporate income tax	(101,526,117)	(121,067,940)	(23,772,628)	(22,472,666)
Net cash flows from (used in) operating activities	11,722,333	(1,179,561,727)	(279,856,891)	(1,238,060,295)

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

Civil Engineering Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash flows from investing activities				
Decrease (increase) in restricted bank deposits	(22,051,796)	(21,382,385)	7,183,706	5,421,292
Decrease (increase) in short-term loans to a related party	-	-	40,000,000	(100,000,000)
Cash paid for acquisition of investments in open-end funds	-	(500,000,000)	-	(500,000,000)
Cash received from disposal of investments in open-end funds	252,775,948	250,081,569	252,775,948	250,081,569
Cash paid for purchases of building improvements and equipment	(87,465,538)	(44,349,978)	(68,390,841)	(34,204,904)
Cash paid for purchases of intangible asset	(2,423,412)	(9,369,669)	(2,300,000)	(2,200,000)
Proceeds from sales of machinery and equipment	30,247,114	17,489,309	20,247,861	5,591,816
Cash paid for investment in a subsidiary	-	-	-	(999,700)
Cash received from interest income	3,714,484	1,918,267	1,249,524	3,714,405
Net cash flows from (used in) investing activities	<u>174,796,800</u>	<u>(305,612,887)</u>	<u>250,766,198</u>	<u>(372,595,522)</u>
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	(165,000,692)	534,757,960	(3,416,285)	642,655,418
Payment of lease liabilities	(80,181,674)	(78,809,611)	(38,013,848)	(42,833,787)
Repayment of long-term loans from financial institutions	-	(289,063)	-	(289,063)
Dividend paid	(13,992,744)	(13,999,906)	(13,992,744)	(13,999,906)
Proceeds from increase in share capital	-	920,000,000	-	920,000,000
Transaction costs on issue of shares	-	(26,831,486)	-	(26,831,486)
Net cash flows from (used in) financing activities	<u>(259,175,110)</u>	<u>1,334,827,894</u>	<u>(55,422,877)</u>	<u>1,478,701,176</u>
Net decrease in cash and cash equivalents	<u>(72,655,977)</u>	<u>(150,346,720)</u>	<u>(84,513,570)</u>	<u>(131,954,641)</u>
Cash and cash equivalents at beginning of year	547,469,985	697,816,705	179,028,211	310,982,852
Cash and cash equivalents at end of year	<u>474,814,008</u>	<u>547,469,985</u>	<u>94,514,641</u>	<u>179,028,211</u>
	-	-	-	-
Supplemental disclosures of cash flow information				
Non-cash transactions				
Increase in right-of-use assets due to entering into lease agreements	67,861,321	65,127,325	36,690,883	17,544,393
Acquisition of equipment which have not yet been paid	-	27,701,320	-	27,833,281
Transfer investment properties to property, plant and equipment	370,704	2,033,003	-	-
Transfer right-of-use assets to property, plant and equipment	43,164,283	14,694,469	24,671,443	12,425,157

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

Civil Engineering Public Company Limited and its subsidiaries**Notes to consolidated financial statements****For the year ended 31 December 2023****1. General information****Corporate information**

Civil Engineering Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Atsavarasiruk Holding Company Limited, which was incorporated in Thailand. The Company is principally engaged in the provision of construction services. The registered office of the Company is at 68/12 CEC Building, 7th Floor, Kamphaeng Phet 6 Road, Ladyao, Jatujak, Bangkok.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Civil Engineering Public Company Limited (“the Company”) and its subsidiaries companies (“the subsidiaries”) (collectively as “the Group”). The details of subsidiaries are as follows:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2023</u>	<u>2022</u>
			%	%
<u>Directly invested</u>				
Civil Construction Services & Products Company Limited	The provision of construction services and operation of quarry	Thailand	100	100
The C.E.C. Construction Company Limited	The provision of construction services	Thailand	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2023</u>	<u>2022</u>
			%	%
CIVIL S.T.T. Company Limited	The provision of construction services	Thailand	100	100
<u>Indirectly invested</u>				
CCSP-THECEC Joint Venture (Invested by Civil Construction Services & Products Company Limited and The C.E.C. Construction Company Limited at 51% and 49%, respectively)	The provision of construction services	Thailand	100	100
THE-CSTT Joint Venture (Invested by The C.E.C. Construction Company Limited and CIVIL S.T.T. Company Limited at 51% and 49%, respectively)	The provision of construction services	Thailand	100	100
UCN Joint Venture (Invested by Civil Construction Services & Products Company Limited)	The provision of construction services	Thailand	100	-

On 24 November 2022, the subsidiary established UCN Joint Venture, which is a joint venture between the subsidiary and other two co-ventures. The subsidiary holds a 32% interest in this joint venture. The subsidiary treats this joint venture as a joint operation and recognises its shares of assets, liabilities, revenue, and expenses of the joint operation, in proportion to its interest, in the consolidated financial statements. In April 2023, the joint venture entered into the contractual agreement with the hirer. However, subsequently, on 18 September 2023, the subsidiary entered into an agreement to transfer the entire interest in this joint venture from the other two co-ventures, resulting in the subsidiary holding a 100% interest.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
 - c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- 2.3 The separate financial statements present investments in subsidiaries under the cost method.
- 2.4 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 recognises assets, liabilities, revenues and expenses in relation to its interest in the following joint operations in the consolidated and separate financial statements from the date that joint control commences until the date that joint control ceases.

Name of entity	Nature of business	Country of incorporation	Interest in joint operation	
			<u>2023</u>	<u>2022</u>
			%	%
<u>Directly invested</u>				
CPN Joint Venture	The provision of construction services	Thailand	38.25	38.25
<u>Indirectly invested</u>				
UN-CC Joint Venture (Invested by Civil Construction Services & Products Company Limited)	The provision of construction services	Thailand	30.00	30.00

3. New financial reporting standards

3.1 New financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements except for the following standard, which involves changes to key principles, as summarised below.

TAS 12, Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendment narrows the scope of the initial recognition exception, so that deferred tax related to assets and liabilities arising from a single transaction that give rise to equal taxable and deductible temporary differences such as leases and decommissioning obligations shall be recognised.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented.

The management of the Group is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

4. Significant accounting policies

4.1 Revenue and expense recognition

Revenue from construction services

The Group has determined that their construction contracts generally have one performance obligation. The Group recognises construction revenue over time where the stage of completion is measured using an input method, based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs at completion.

The likelihood of contract variations, claims and liquidated damages, delays in delivery or contractual penalties is taken into account in determining the revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

Sales of construction materials

Revenue from sales of construction materials is recognised at the point in time when control of the assets is transferred to the customer, generally on delivery of goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting return, discounts and allowances.

Rental income

Rental income is recognised on a straight line basis over the lease term.

Service income

Service income is recognised over time when services have been rendered taking into account the stage of completion.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis.

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Contract assets/Contract Liabilities

Contract assets

The Group recognises contract asset which is the excess of cumulative revenue earned over the billings to date. Allowance for impairment loss is provided for the estimated losses that may be incurred in customer collection. Contract assets are transferred to receivables when the rights become unconditional (i.e. services are completed and delivered to the customer).

Contract liabilities

Contract liability is recognised when the billings to date exceed the cumulative revenue earned and the Group have an obligation to transfer goods or services to a customer. Contract liabilities are recognised as revenue when the Group fulfils their performance obligations under the contracts.

4.4 Inventories and construction supplies

Inventories and construction supplies are valued at the lower of cost (under the weighted average method) and net realisable value.

4.5 Investments in subsidiaries

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

4.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful life of 25 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.7 Property, plant and equipment/Depreciation

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Temporary buildings	As per a period of construction contracts
Buildings	20 to 25 years
Building improvements	5 to 20 years
Equipment and machinery	5 and 10 years
Furniture, fixtures and office equipment	3, 5 and 10 years
Motor vehicles	5 and 10 years

Depreciation is included in determining income.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.9 Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets (computer software and patent permit) are amortised on the straight-line basis over the economic useful lives of approximately 5 - 15 years and tested for impairment whenever there is an indication that the intangible assets may be impaired.

The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

4.10 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

a) Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	2 to 25 years
Equipment and machinery	5 and 10 years
Office equipment	3 years
Motor vehicles	5 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

b) Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced when the lease payments are made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

c) *Short-term leases and leases of low-value assets*

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.11 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors and officers with authority in the planning and direction of the Group's operations.

4.12 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.13 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.14 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

4.15 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provision for losses on construction projects is made in the accounts in full when the possibility of loss is ascertained.

4.16 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.17 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, the Group measures trade receivables, that do not contain a significant financing component at the transaction price as disclosed in the accounting policy relating to revenue recognition.

a) Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value including interest income recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

b) Classification and measurement of financial liabilities

At initial recognition the Group’s financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

c) Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the assets.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

d) Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

4.18 Fair value measurement

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

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

- Level 1 - Use of quoted market prices in an active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

5. Significant accounting judgements and estimates

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

Revenue from construction services

The Group recognises revenue from construction services over time. To reflect the satisfaction of the performance obligations, the management determines the stage of completion using an input method, based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs at completion of the construction. The Group estimates the costs of construction projects based on details of the construction work, taking into account the volume and value of construction materials to be used in the projects, including labour costs and other miscellaneous costs to be incurred to completion of service, and considering the direction of movement in these costs. These estimates are reviewed regularly or whenever actual costs differ significantly from the original estimates.

In addition, significant judgement is required in determining the contract costs incurred for work performed to date, estimated total contract revenue, as well as assessing potential deductions from revenue due to delays in delivery or contractual penalties. In making these judgements, management relies on past experience, historical information and information from the project engineers or the work of specialists (if any).

Provision for losses on construction projects

Management has used judgement to estimate the losses expected to be incurred from each construction project, based on the estimates of anticipated costs, taking into account the progress of the project and actual costs incurred to date, together with fluctuations in costs of construction materials, labour costs, and current circumstances.

Leases

a) Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

b) Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Joint arrangements

Management applied judgement to determine the type of joint arrangement, based on consideration of the rights and obligations arising from the arrangement. On this basis, the management of the Group determines that it has investments in two joint venture agreements that are joint operations (between the Group and other joint operators) in accordance with TFRS 11.

Property, plant and equipment, investment properties and depreciation

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

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

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Litigation

The Group has contingent liabilities as a result of litigation. The management has used judgement to assess the results of the litigation and believes that no loss will be incurred, other than losses for which provision has already been set aside.

Provision for warranty on construction projects

The Group applied some judgement for recognised provision for warranty on construction projects which is completed by considered from experience and information in the past. The actual amount maybe difference from estimation.

6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, subsidiaries and those related parties.

(Unit: Thousand Baht)					
	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales of construction materials	-	-	56,636	35,916	With reference to market price
Rental income	-	-	30,593	40,854	Contract price
Distribution income	-	-	1,146	1,478	Contract price
Management fee income	-	-	11,031	10,018	Contract price
Wages income	-	-	31,142	34,288	Contract price
Interest income	-	-	9,980	10,186	5.5% per annum
Cost of construction services	-	-	92,262	107,643	Contract price
Purchases of construction materials	-	-	409,739	773,504	With reference to market price
Management fee expenses	-	-	7,167	6,392	Contract price
Interest expenses	-	-	550	550	5.5% per annum
<u>Transactions with related parties</u>					
Rental income	391	391	-	-	Contract price
Rental expenses	6,719	6,532	2,433	2,476	Contract price
Cost of rock production	68,943	31,824	-	-	Contract price
<u>Transactions with joint arrangement</u>					
Revenue from construction services	721,721	655,475	153,853	137,214	Contract price
Management fee income	1,223	1,223	1,223	1,223	Contract price
Cost of construction services	678,437	614,704	139,667	125,242	Contract price

As at 31 December 2023 and 2022, the balances of the accounts between the Company, subsidiaries and those related parties are as follows:

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade and other receivables - related parties (Note 8)</u>					
Subsidiaries		-	-	61,905	129,972
Related companies (by common directors)		1,577	965	-	-
Related companies (joint arrangements)		9,265	5,312	9,265	5,312
Total trade and other receivables - related parties		<u>10,842</u>	<u>6,277</u>	<u>71,170</u>	<u>135,284</u>
<u>Deposit for purchases of goods - related party</u>					
Subsidiary		<u>-</u>	<u>-</u>	<u>-</u>	<u>7,467</u>
<u>Trade and other payables - related parties (Note 19)</u>					
Subsidiaries		-	-	215,793	228,406
Related companies (by common directors)		41,586	24,270	-	-
Related companies (joint arrangement)		5,269	6,403	-	-
Total trade and other payables - related parties		<u>46,855</u>	<u>30,673</u>	<u>215,793</u>	<u>228,406</u>
<u>Lease liabilities - related parties</u>					
Related companies (by common directors)		2,625	6,226	1,556	5,084
Related person (Directors and close relative)		77,560	81,619	16,596	18,444
Total lease liabilities - related parties		<u>80,185</u>	<u>87,845</u>	<u>18,152</u>	<u>23,528</u>

Short-term loans to a related party

As at 31 December 2023 and 2022, the balances of loans between the Company and a subsidiary and the movement of these loans are as follows:

		(Unit: Thousand Baht)			
		Separate financial statements			
Short-term loans		Balance as at	Increase	Decrease	Balance as at
to a related party	Related by	31 December 2022	during the year	during the year	31 December 2023
Civil Construction Services &					
Products Company					
Limited	Subsidiary	<u>200,000</u>	<u>-</u>	<u>(40,000)</u>	<u>160,000</u>

Short-term loans to the subsidiary are unsecured, carrying interest at a rate of 5.5% per annum and repayable at call.

Short-term loans from a related party

As at 31 December 2023 and 2022, the balances of loans between the Company and a subsidiary and the movement of these loans are as follows:

(Unit: Thousand Baht)

		Separate financial statements			
Short-term loans from a related party	Related by	Balance as at 31 December 2022	Increase during the year	Decrease during the year	Balance as at 31 December 2023
The C.E.C. Construction Company Limited	Subsidiary	10,000	-	-	10,000

Short-term loans from the subsidiary are unsecured, carrying interest at a rate of 5.5% per annum and repayable at call.

Benefits of key directors and management

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses payable to its key directors and management as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	20,828	21,451	20,828	21,451
Post-employment benefits	891	950	891	950
Total	21,719	22,401	21,719	22,401

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash	465	449	59	444
Bank deposits	474,349	547,021	94,456	178,584
Total	474,814	547,470	94,515	179,028

As at 31 December 2023 and 2022, bank deposits in saving accounts carried interest at rates of 0.25 - 0.60 percent per annum.

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	562	562	3,148	3,581
Past due				
Up to 3 months	562	562	5,293	13,520
3 - 6 months	2,267	593	2,267	17,663
6 - 12 months	1,124	3,595	1,124	21,306
Over 12 months	4,750	-	4,750	-
Total trade receivables - related parties	9,265	5,312	16,582	56,070
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	185,457	555,931	95,784	294,091
Past due				
Up to 3 months	52,667	52,726	1,197	6,816
3 - 6 months	17,007	8,355	1,799	3,313
6 - 12 months	49,285	15,027	1,309	1,085
Over 12 months	4,677	8,250	1,228	1,205
Total trade receivables - unrelated parties	309,093	640,289	101,317	306,510
Total trade receivables	318,358	645,601	117,899	362,580
<u>Other receivables</u>				
Other receivables - related parties	1,577	965	34,422	69,028
Other receivables - unrelated parties	662	520	365	378
Interest receivables - related parties	-	-	20,166	10,186
Interest receivables - unrelated parties	1,238	330	707	190
Total other receivables	3,477	1,815	55,660	79,782
Total trade and other receivables	321,835	647,416	173,559	442,362

The Group has assigned the rights of claim on certain trade receivables arising from construction contracts to financial institutions for repayments of short-term loans, as described in Notes 18 to the financial statements.

The normal credit term is 30 to 90 days.

9. Contract assets/Contract liabilities

9.1 Contract assets - unbilled receivables

The balance of unbilled receivables as at 31 December 2023 and 2022, aged on the basis of period they are expected to be billed to customers in the future, can be summarised as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Period to expected billing				
In up to 3 months	985	1,359	412	683
In over 3 and up to 12 months	3,039	2,222	1,871	1,351
Total unbilled receivables	<u>4,024</u>	<u>3,581</u>	<u>2,283</u>	<u>2,034</u>

Rights over collection of unbilled receivables from certain construction projects of the Group have been used to secure the credit facilities obtained from financial institutions as described in Notes 18 to the financial statements.

9.2 Revenue recognised in relation to contract assets and contract liabilities as at 31 December 2023 and 2022

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue recognised in the year that				
was included in contract liabilities at				
the beginning of the year	611,311	809,465	376,476	396,687
Revenue recognised in the year from				
performance obligations satisfied				
in previous years	(113,807)	(222,210)	(6,556)	(15,570)

9.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2023, revenue totaling Baht 12,891 million (2022: Baht 10,345 million) (The Company only: Baht 5,237 million, 2022: Baht 6,588 million) is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (or partially unsatisfied). The Group expects to satisfy these performance obligations within 3 years.

10. Inventories and construction supplies

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Construction supplies	181,660	148,350	-	-	181,660	148,350
Raw materials	48,798	68,793	-	-	48,798	68,793
Total	<u>230,458</u>	<u>217,143</u>	<u>-</u>	<u>-</u>	<u>230,458</u>	<u>217,143</u>

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Construction supplies	103,849	103,965	-	-	103,849	103,965
Total	<u>103,849</u>	<u>103,965</u>	<u>-</u>	<u>-</u>	<u>103,849</u>	<u>103,965</u>

11. Restricted bank deposits

These represent saving deposits and fixed deposits pledged with the financial institutions to secure credit facilities and guarantees facilities obtained from financial institutions of the Group.

12. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
			(%)	(%)		
Civil Construction Services & Products Company Limited	500,000	500,000	100	100	499,980	499,980
The C.E.C. Construction Company Limited	200,000	200,000	100	100	200,000	200,000
CIVIL S.T.T. Company Limited	1,000	1,000	100	100	<u>1,000</u>	<u>1,000</u>
Total					<u>700,980</u>	<u>700,980</u>

13. Joint arrangement - Joint operation

Financial information of the Company only and the joint arrangement which is the joint operation are presented including in the separate financial statements as below.

(Unit: Million Baht)

	The Company only		The joint arrangements		Elimination entries		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Summarised information								
about financial position:								
Current assets	2,957	3,436	205	191	(6)	(3)	3,156	3,624
Non-current assets	1,264	1,240	2	-	-	-	1,266	1,240
Current liabilities	2,589	3,111	206	191	(6)	(3)	2,789	3,299
Non-current liabilities	132	72	-	-	-	-	132	72
Unappropriated retained earnings	64	58	1	(1)	-	-	65	57

(Unit: Million Baht)

	The Company only		The joint arrangements		Elimination entries		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Summarised information								
about profit or loss:								
Total revenues	2,389	3,212	154	137	(1)	(1)	2,542	3,348
Total expenses	(2,375)	(3,163)	(152)	(138)	1	1	(2,526)	(3,300)
Operating profit (loss)	14	49	2	(1)	-	-	16	48
Finance income	12	11	-	-	-	-	12	11
Finance cost	(2)	(2)	-	-	-	-	(2)	(2)
Profit (loss) before income tax expenses	24	58	2	(1)	-	-	26	57
Income tax expenses	(4)	(11)	-	-	-	-	(4)	(11)
Profit (loss) for the year	<u>20</u>	<u>47</u>	<u>2</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>22</u>	<u>46</u>

14. Investment properties

The net book value of investment properties (office building for rent) as at 31 December 2023 and 2022 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
Cost	179,904	180,490
Less: Accumulated depreciation	(58,341)	(50,441)
Net book value	<u>121,563</u>	<u>130,049</u>

A reconciliation of the net book value of investment properties for the years 2023 and 2022 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	130,049	140,236
Transfer to property, plant and equipment	(371)	(2,033)
Depreciation for the year	(8,115)	(8,154)
Net book value at end of year	<u>121,563</u>	<u>130,049</u>

The subsidiary has pledged all investment properties as collateral against credit facilities received from financial institution.

The fair value of the investment properties as at 31 December 2023 and 2022 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
The fair value of the investment properties	171,785	174,685

The fair values have been determined based on valuations performed by an independent valuer, using the income approach, which is a level 3 fair value measurement. Key assumptions used in the valuation included yield rate, inflation rate, occupancy rates and long-term growth in rental rates. During the current year, there were no transfers within the fair value hierarchy.

15. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						
	Land	Buildings and building improvements	Equipment and machinery	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction and installation	Total
Cost:							
As at 1 January 2022	7,578	647,624	1,203,750	30,046	355,050	16,032	2,260,080
Additions	-	2,684	36,913	2,479	2,271	27,705	72,052
Disposals/write off	-	(15,680)	(23,252)	(514)	(42,798)	-	(82,244)
Transfer in (out)	-	5,397	18,544	168	18,651	(16,033)	26,727
As at 31 December 2022	7,578	640,025	1,235,955	32,179	333,174	27,704	2,276,615
Additions	-	5,562	22,189	1,417	1,434	49,781	80,383
Disposals/write off	-	(22,186)	(40,247)	(750)	(37,847)	-	(101,030)
Transfer in (out)	-	1,108	47,286	259	27,675	(860)	75,468
As at 31 December 2023	7,578	624,509	1,265,183	33,105	324,436	76,625	2,331,436
Accumulated depreciation:							
As at 1 January 2022	-	283,286	714,908	21,084	293,513	-	1,312,791
Depreciation for the year	-	46,593	155,573	4,423	17,030	-	223,619
Accumulated depreciation on disposals/write off	-	(14,245)	(21,265)	(434)	(38,855)	-	(74,799)
Transfer in	-	977	1,690	168	7,165	-	10,000
As at 31 December 2022	-	316,611	850,906	25,241	278,853	-	1,471,611
Depreciation for the year	-	39,033	85,821	3,741	18,063	-	146,658
Accumulated depreciation on disposals/write off	-	(22,186)	(23,996)	(724)	(34,055)	-	(80,961)
Transfer in	-	214	19,951	258	11,510	-	31,933
As at 31 December 2023	-	333,672	932,682	28,516	274,371	-	1,569,241
Allowance for impairment loss:							
As at 31 December 2022	-	-	96	-	1,166	-	1,262
As at 31 December 2023	-	-	96	-	1,166	-	1,262
Net book value:							
As at 31 December 2022	7,578	323,414	384,953	6,938	53,155	27,704	803,742
As at 31 December 2023	7,578	290,837	332,405	4,589	48,899	76,625	760,933
Depreciation for the year							
2022 (Baht 149 million included in cost of construction services and cost of rental, and the remaining balance included in administrative expenses)							223,619
2023 (Baht 99 million included in cost of construction services and cost of rental, and the remaining balance included in administrative expenses)							146,658

(Unit: Thousand Baht)

	Separate financial statements						
	Land	Buildings and building improvements	Equipment and machinery	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction and installation	Total
Cost:							
As at 1 January 2022	7,578	54,207	394,201	8,923	94,523	256	559,688
Additions	-	676	31,187	878	2,115	27,181	62,037
Disposals/write off	-	(10,473)	(12,068)	(268)	(4,848)	-	(27,657)
Transfer in (out)	-	156	5,514	-	14,185	(258)	19,597
As at 31 December 2022	7,578	44,566	418,834	9,533	105,975	27,179	613,665
Additions	-	2,777	6,738	1,270	677	49,781	61,243
Disposals/write off	-	(4,744)	(25,182)	(412)	(11,677)	-	(42,015)
Transfer in (out)	-	-	15,514	130	27,675	(337)	42,982
As at 31 December 2023	7,578	42,599	415,904	10,521	122,650	76,623	675,875
Accumulated depreciation:							
As at 1 January 2022	-	24,252	198,507	6,117	76,478	-	305,354
Depreciation for the year	-	8,457	60,452	1,424	6,679	-	77,012
Accumulated depreciation on disposals/write off	-	(10,163)	(11,248)	(235)	(4,010)	-	(25,656)
Transfer in	-	-	1,688	-	5,483	-	7,171
As at 31 December 2022	-	22,546	249,399	7,306	84,630	-	363,881
Depreciation for the year	-	5,078	35,303	1,376	9,225	-	50,982
Accumulated depreciation on disposals/write off	-	(4,744)	(11,357)	(405)	(9,503)	-	(26,009)
Transfer in	-	-	6,671	129	11,510	-	18,310
As at 31 December 2023	-	22,880	280,016	8,406	95,862	-	407,164
Allowance for impairment loss:							
As at 31 December 2022	-	-	70	-	86	-	156
As at 31 December 2023	-	-	70	-	86	-	156
Net book value:							
As at 31 December 2022	7,578	22,020	169,365	2,227	21,259	27,179	249,628
As at 31 December 2023	7,578	19,719	135,818	2,115	26,702	76,623	268,555
Depreciation for the year							
2022 (Baht 46 million included in cost of construction services and cost of rental, and the remaining balance included in administrative expenses)							77,012
2023 (Baht 31 million included in cost of construction services and cost of rental, and the remaining balance included in administrative expenses)							50,982

As at 31 December 2023, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 776 million (2022: Baht 653 million) (The Company only: Baht 234 million, 2022: Baht 128 million).

As at 31 December 2023, the subsidiary has pledged plant and equipment with net book value of approximately Baht 54 million (2022: Baht 63 million) as collateral against credit facilities obtained from financial institutions.

16. Leases

16.1 The Group as a lessee

The Group has entered into lease contracts used in its operations. Leases generally have lease terms between 2 - 25 years.

Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land	Equipment and machinery	Office equipment	Motor vehicles	Total
1 January 2022	33,297	45,110	43	39,318	117,768
Additions	4,008	37,943	-	23,176	65,127
Transfer to property, plant and equipment	-	(3,825)	-	(10,869)	(14,694)
Depreciation for the year	(6,577)	(15,444)	(42)	(10,669)	(32,732)
31 December 2022	30,728	63,784	1	40,956	135,469
Additions	4,855	24,144	-	38,862	67,861
Transfer to property, plant and equipment	-	(27,335)	(1)	(15,828)	(43,164)
Depreciation for the year	(5,724)	(15,951)	-	(11,218)	(32,893)
Write off	(3,934)	-	-	-	(3,934)
31 December 2023	25,925	44,642	-	52,772	123,339

(Unit: Thousand Baht)

	Separate financial statements				
	Land	Equipment and machinery	Office equipment	Motor vehicles	Total
1 January 2022	27,446	17,534	22	36,390	81,392
Additions	-	8,179	-	9,366	17,545
Transfer to property, plant and equipment	-	(3,825)	-	(8,600)	(12,425)
Depreciation for the year	(4,485)	(4,560)	(21)	(8,363)	(17,429)
31 December 2022	22,961	17,328	1	28,793	69,083
Additions	3,912	11,200	-	21,578	36,690
Transfer to property, plant and equipment	-	(8,843)	(1)	(15,828)	(24,672)
Depreciation for the year	(3,475)	(5,063)	-	(7,357)	(15,895)
Write off	(3,934)	-	-	-	(3,934)
31 December 2023	19,464	14,622	-	27,186	61,272

Lease liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Lease liabilities	152,870	170,849	45,920	51,691
Less: Deferred interest expenses	(14,515)	(16,077)	(1,880)	(2,231)
Total lease liabilities	138,355	154,772	44,040	49,460
Less: Portion due within one year	(50,733)	(57,321)	(22,586)	(23,457)
Lease liabilities - net of current portion	87,622	97,451	21,454	26,003

A maturity analysis of lease payments is disclosed in Note 33 to the financial statements under the liquidity risk.

Movement of lease liabilities are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Balance at beginning of year	154,772	168,454	49,460	74,749
Additions	67,861	65,127	36,690	17,545
Accretion of interest	2,673	2,906	1,162	1,423
Rental payment	(82,855)	(81,715)	(39,176)	(44,257)
Write off	(4,096)	-	(4,096)	-
Balance at end of year	138,355	154,772	44,040	49,460

Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	32,893	32,732	15,895	17,429
Interest expenses on lease liabilities	2,673	2,906	1,162	1,423
Expenses relating to short-term leases	1,037	727	321	282

Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 88 million (2022: Baht 82 million) (The Company only: Baht 44 million, 2022: Baht 44 million), including the cash outflow related to short-term lease.

16.2 Group as a lessor

The Group has entered into operating leases for office building of the subsidiary, of which the lease terms are between 1 and 3 years.

The Group has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2023 and 2022 as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2023</u>	<u>2022</u>
Within 1 year	11,647	12,128
Over 1 and up to 3 years	1,440	343
Total	<u>13,087</u>	<u>12,471</u>

17. Intangible assets

Net book value of intangible assets as at 31 December 2023 and 2022 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements		
			Intangible	Total			Intangible
	Computer software	Patent permit	assets under development		Computer software	assets under development	Total
As at 31 December 2023							
Cost	22,185	7,149	2,300	31,634	21,131	2,300	23,431
<u>Less:</u> Accumulated amortisation	(17,981)	(797)	-	(18,778)	(17,066)	-	(17,066)
Net book value	<u>4,204</u>	<u>6,352</u>	<u>2,300</u>	<u>12,856</u>	<u>4,065</u>	<u>2,300</u>	<u>6,365</u>
As at 31 December 2022							
Cost	22,062	7,149	-	29,211	21,131	-	21,131
<u>Less:</u> Accumulated amortisation	(16,761)	(320)	-	(17,081)	(15,860)	-	(15,860)
Net book value	<u>5,301</u>	<u>6,829</u>	<u>-</u>	<u>12,130</u>	<u>5,271</u>	<u>-</u>	<u>5,271</u>

A reconciliation of the net book value of intangible assets for the years 2023 and 2022 is presented below.

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	12,130	4,161	5,271	4,139
Additions	2,423	9,369	2,300	2,200
Amortisation expenses for the year	(1,697)	(1,400)	(1,206)	(1,068)
Net book value at end of year	<u>12,856</u>	<u>12,130</u>	<u>6,365</u>	<u>5,271</u>

(Unit: Thousand Baht)

18. Short-term loans from financial institutions

As at 31 December 2023, short-term loans from financial institutions carry interest at MLR - 1.5 to MOR - 0.5 percent per annum (2022: MLR - 1.5 to MOR - 0.5 percent per annum). The loans are guaranteed by related companies, and secured by the mortgage of land with structures thereon of the Group's directors and a family member of a director of the Group, building and equipment of the Group, bank deposits of the Group and the transfer of rights of claim over collections for work done under construction contracts of the Group.

19. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables - related parties	45,369	22,898	164,133	197,117
Trade payables - unrelated parties	1,006,128	1,360,397	425,748	559,432
Other payables - related parties	1,486	7,775	50,560	30,739
Other payables - unrelated parties	10,798	8,171	6,653	5,763
Interest payables - related parties	-	-	1,100	550
Interest payables - unrelated parties	1,289	588	754	327
Accrued expenses - unrelated parties	113,656	81,851	16,489	16,735
Total trade and other payables	<u>1,178,726</u>	<u>1,481,680</u>	<u>665,437</u>	<u>810,663</u>

20. Provision for liabilities arising from legal cases

The changes in provision for liabilities arising from legal cases for the years ended 31 December 2023 and 2022 are presented below.

(Unit: Thousand Baht)

	Consolidated	
	financial statements	
	<u>2023</u>	<u>2022</u>
Balance at beginning of year	49,655	48,025
Unrealised loss (gain) on foreign exchange	(495)	1,630
Balance at end of year	<u>49,160</u>	<u>49,655</u>

As at 31 December 2023, the provision for liabilities arising from legal cases of Baht 49 million is a provision for a case in which the subsidiary was sued by a financial institution as a joint operator of a joint venture, which breached the conditions of promissory notes relating to a payment of USD 1.5 million to the financial institution. In 2016, the Court of Appeal ordered all joint operators and guarantors to pay interest at a rate of 15% per annum on principal of USD 1.5 million, or a total of USD 1.4 million (equivalent to Baht 49 million) to the financial institution. Subsequently, another joint operator appealed the order of the Court of Appeal to the Supreme Court but the Supreme Court refused leave to appeal. As a result, the case is deemed final. The financial institution has not yet taken enforcement action to claim this compensation from the subsidiary. However, the management believes that the subsidiary will have significant obligations as a result of this case, and the subsidiary has therefore set aside a provision for the case in its accounts.

21. Provision for warranty on construction projects

The changes in the provision for warranty on construction projects for the years ended 31 December 2023 and 2022 are presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	21,752	15,903	8,943	6,395
Increase during the year	22,427	16,793	2,155	8,921
Decrease during the year	(9,876)	(10,944)	(365)	(6,373)
Balance at end of year	<u>34,303</u>	<u>21,752</u>	<u>10,733</u>	<u>8,943</u>

22. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Provision for long-term employee benefits				
at beginning of year	75,906	72,366	37,054	35,171
Included in profit or loss:				
Current service cost	4,753	4,480	2,871	2,292
Interest cost	1,312	760	689	393
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Financial assumptions changes	-	(5,283)	-	(2,769)
Experience adjustments	-	7,003	-	3,083
Benefits paid during the year	<u>(1,883)</u>	<u>(3,420)</u>	<u>(538)</u>	<u>(1,116)</u>
Provisions for long-term employee				
benefits at end of year	<u>80,088</u>	<u>75,906</u>	<u>40,076</u>	<u>37,054</u>

The Group expects to pay Baht 33 million (2022: Baht 32 million) of long-term employee benefits during the next year (The Company only: Baht 14 million, 2022: Baht 14 million).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit are 10 - 14 years (2022: 10 - 14 years) (The Company only: 11 years, 2022: 11 years).

Significant actuarial assumptions are summarised below.

(Unit: Percent per annum)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Discount rate	2.82 - 3.40	2.82 - 3.40	2.92	2.92
Salary increase rate	6.55	6.55	6.55	6.55
Turnover rate (depending on age of employees)	1.91 - 34.38	1.91 - 34.38	2.87 - 34.38	2.87 - 34.38

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	As at 31 December 2023			
	Consolidated financial statements		Separate financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(4,067)	4,728	(2,224)	2,579
Salary increase rate	4,868	(4,268)	2,673	(2,349)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(4,058)	4,981	(2,202)	2,682

(Unit: Thousand Baht)

	As at 31 December 2022			
	Consolidated financial statements		Separate financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(3,902)	4,542	(2,103)	2,445
Salary increase rate	4,198	(3,692)	2,281	(2,009)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(3,466)	4,217	(1,860)	2,247

23. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. During the year 2023, the Company set aside a statutory reserve from this section amounting to Baht 1.1 million (2022: Baht 2.3 million).

24. Other income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Management fee income	-	-	11,031	10,018
Gain on sales of assets	10,178	10,045	4,242	3,592
Gain on sales of scraps	20,327	11,541	15,526	653
Other	11,547	9,236	9,849	3,989
Total	<u>42,052</u>	<u>30,822</u>	<u>40,648</u>	<u>18,252</u>

25. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest expenses from borrowings	2,709	1,436	551	554
Interest expenses from lease liabilities	2,635	2,900	1,157	1,407
Total	<u>5,344</u>	<u>4,336</u>	<u>1,708</u>	<u>1,961</u>

26. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	<u>2023</u>	<u>2022</u>
Salaries, wages and other employee benefits	354,464	354,359
Depreciation and amortisation	189,363	265,905
Construction materials and consumables used	1,611,521	2,535,545
Subcontractors costs	1,958,076	2,236,031
Repair and maintenance expenses	31,221	29,997
Transportation expenses	46,262	41,752
Contract fee and interest expenses	164,746	126,704

27. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	<u>2023</u>	<u>2022</u>
Current income tax:		
Current income tax charge	32,427	36,376
Adjustment income tax expense of previous year	-	4,375
Deferred tax:		
Relating to origination and reversal of temporary differences	(10,320)	(20,649)
Income tax expenses reported in profit or loss	<u>22,107</u>	<u>20,102</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax on actuarial losses	-	344	-	63

The amounts of current tax that recognised directly in equity for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current income tax:				
Current income tax on transaction costs for issued share capital	-	(5,366)	-	(5,366)

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accounting profit before tax	116,025	84,586	26,388	56,739
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	23,205	16,917	5,278	11,348
Adjustment income tax expense of previous year	-	4,375	-	647
Effect of elimination entries on the preparation of consolidated financial statements	1,116	1,965	-	-
Effects of:				
Non-deductible expenses	2,886	3,351	1,803	2,414
Additional expense deduction allowed	(5,736)	(6,608)	(2,821)	(3,677)
Other	636	102	-	102
Total	(2,214)	(3,155)	(1,018)	(1,161)
Income tax expenses reported in the profit or loss	22,107	20,102	4,260	10,834

The components of deferred tax assets (liabilities) are as follows:

	(Unit: Thousand Baht)			
	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax assets (liabilities)				
Values of property, plant and equipment	(203)	(141)	-	-
Allowance for impairment loss on assets	250	250	29	29
Provision for long-term employee benefits	13,427	12,590	5,424	4,820
Provision for losses on construction projects	58	221	-	-
Provision for cost from land use	644	-	644	-
Provision for liabilities arising from				
legal cases	9,832	9,931	-	-
Provision for warranty on construction projects	5,712	4,350	1,970	1,788
Tax loss	26,576	18,728	-	-
Leases	157	204	(262)	(85)
Total	<u>56,453</u>	<u>46,133</u>	<u>7,805</u>	<u>6,552</u>

28. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table set forth the computation of basic earnings per share:

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Profit for the year (Thousand Baht)	93,919	64,484	22,128	45,905
Weighted average number of ordinary share				
(Thousand shares)	700,000	685,753	700,000	685,753
Basic earnings per share (Baht per share)	0.13	0.09	0.03	0.07

29. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Chief Executive Officer.

For management purposes, the Group is organised into business units based on its products and services and have three reportable segments as follows:

- Construction services segment
- Sales of construction materials segment
- Rental services segment

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2023 and 2022.

	(Unit: Thousand Baht)							
	Construction		Sales of construction		Rental		Eliminations	
	services segment		materials segment		services segment			financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues from external customers	4,703,977	5,896,108	168,086	151,887	20,590	15,916	-	4,892,653
Inter-segment revenues	-	-	493,140	823,005	97,745	133,464	(590,885)	(956,469)
Total revenues	4,703,977	5,896,108	661,226	974,892	118,335	149,380	(590,885)	4,892,653
Segment profit	341,702	353,747	22,839	12,865	8,954	5,861	-	373,495
Unallocated revenues and expenses:								
Other income								
Administrative expenses								
Finance income								
Finance cost								
Income tax expenses								
Profit for the year								

The Group uses transfer pricing policy as described in Note 6 to financial statements.

Geographic information

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2023, the Group has revenues from 3 major customers, from construction services segment, in amount of Baht 2,774 million (The Company only: Baht 2,074 million derived from 3 major customers).

For the year 2022, the Group has revenues from 3 major customers, from construction services segment, in amount of Baht 4,233 million (The Company only: Baht 3,020 million derived from 3 major customers).

30. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rates of 2 percent of basic salary. The fund, which is managed by Krungthai Asset Management Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions of the Group for the year 2023 amounting to approximately Baht 2.4 million (The Company only: Baht 1.4 million) (2022: Baht 1.1 million, The Company only: Baht 0.5 million) were recognised as expenses.

31. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
<u>For the year 2023</u>			
Final dividends for 2022	Annual General Meeting of the shareholders on 25 April 2023	14	0.02
Total		14	0.02
<u>For the year 2022</u>			
Final dividends for 2021	Annual General Meeting of the shareholders on 25 April 2022	14	0.02
Total		14	0.02

32. Commitments and contingent liabilities

32.1 Project construction cost commitments

As at 31 December 2023, the Group has entered into various agreements with subcontractors in respect of project construction cost totaling Baht 4,170 million (The Company only: Baht 1,780 million) (2022: Baht 3,224 million, The Company only: Baht 1,597 million).

32.2 Capital commitments

As at 31 December 2023 and 2022, the Group had capital commitments relating to the renovation of factory building and purchase machinery as follows:

			(Unit: Thousand Baht)	
	The Group		The Company only	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Capital commitments	2,613	57,512	2,613	57,502

32.3 Service commitments

The Group had commitments under security services and cleaning services. The terms of the agreements are generally between 1 year.

As at 31 December 2023 and 2022, future minimum payments required under these non-cancellable service contracts were as follows:

			(Unit: Thousand Baht)	
	The Group		The Company only	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Payable:				
In up to 1 year	4,849	3,929	2,387	1,803

32.4 Guarantees

As at 31 December 2023 and 2022, there were outstanding bank guarantees issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of the Group's business. The details of the bank guarantees are as follows:

	(Unit: Thousand Baht)			
	The Group		The Company only	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Guarantee of construction and bidding contracts	2,677,718	2,454,312	1,458,173	1,419,742
Guarantee of advance payment and retention	4,486,834	3,558,041	2,041,726	1,543,800
Other guarantees	55,859	51,227	11,058	12,958
Total	<u>7,220,411</u>	<u>6,063,580</u>	<u>3,510,957</u>	<u>2,976,500</u>

32.5 Litigation

- a) In May 2020, a company sued a subsidiary, as the hirer of a sub-contractor, seeking to have the subsidiary make payment of construction costs amounting to Baht 3.5 million plus interest charge at 15% per annum, payable by the sub-contractor to such company. Subsequently, on 15 December 2022, the Civil Court dismissed the lawsuit filed against the subsidiary. In February 2023, such company requested that the appeal filing period be extended and the Civil court granted the extension of appeal filing period to 13 March 2023. At present, the plaintiff has not filed an appeal against the decision rendered by the Civil Court within the stipulated period. As a result, the case is deemed final.
- b) On 28 January 2021, a sub-contractor sued the Company for payment of damages from the construction work amounting to Baht 15.1 million, plus interest charge at 7.5% per annum. Subsequently, on 20 March 2023, the Civil Court dismissed the lawsuit filed against the Company. In July 2023, the sub-contractor filed an appeal with the Civil Court. Currently, the case is being heard by the Court of Appeal. However, the management believes that the Company will not incur any material liabilities as a result of the case, and therefore no provision has been set aside in the accounts.
- c) On 25 February 2023, a subsidiary acknowledged the lawsuit that on 7 October 2022, a state enterprise sued the subsidiary requesting the payment of damages to assets totaling Baht 0.9 million plus interest charge at a rate of 5% per annum. Currently, the case is being heard by the Civil Court. The management believes that the subsidiary will not incur any material liabilities as a result of the case, and therefore no provision has been set aside in the accounts.

- d) On 25 February 2023, the Company acknowledged the lawsuit that on 9 November 2022, a company sued the Company requesting the payment of damages to assets totaling Baht 3.3 million plus interest charge at a rate of 5% per annum. Subsequently, on 28 September 2023, the Civil Court dismissed the lawsuit filed against the Company. In December 2023, such company filed an appeal with the Civil Court. Currently, the Company requested an extension of the period to prepare a counterclaim against the appeal filed by such company. The request is scheduled for submission by 27 March 2024. However, the management believes that the Company will not incur any material liabilities as a result of the case, and therefore no provision has been set aside in the accounts.
- e) On 25 February 2023, a subsidiary acknowledged the lawsuit that on 20 December 2022, an individual sued the subsidiary requesting the payment of damage for construction totaling Baht 15.9 million plus interest charge at a rate of 5% per annum. Subsequently, on 31 January 2024, the subsidiary underwent a negotiation process in the court, where the individual agreed to accept humanitarian compensation totaling Baht 1.5 million and will enter into a settlement agreement, with the withdrawal of the lawsuit scheduled on 7 March 2024. The subsidiary has set aside a partial provision in the accounts.
- f) On 12 July 2023, a state enterprise sued the subsidiary requesting the payment of damages for construction totaling Baht 1.5 million plus interest charge at a rate of 5% per annum. Subsequently, on 10 October 2023 the state enterprise and the subsidiary negotiated and agreed to reduce the damages to Baht 1.0 million. On 24 October 2023, the subsidiary made an advance payment for damages of Baht 1.0 million. Subsequently, the state enterprise has withdrawn the lawsuit. Currently, the subsidiary has received the compensation for the damages from the insurance company.

33. Financial instruments

33.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise the following:

<u>Financial assets</u>	<u>Financial liabilities</u>
- Cash and cash equivalents	- Short-term loans from financial institutions
- Trade and other receivables	- Trade and other payables
- Retention receivables	- Retention payables
- Other current financial assets	- Lease liabilities
- Restricted bank deposits	

The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade receivables, contract assets, other current financial assets and deposits with banks. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables and contract assets

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, outstanding trade receivables and contract assets are regularly monitored. The majority of the Group's construction contracts are made with government agencies and other creditworthy customers. As a result, the Group does not anticipate material losses from their debt collection.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating. The calculation reflects the reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Deposits at banks and open-end funds

The Group manages the credit risk by making investments only with approved counterparties. The Group has the credit risk on debt instruments is limited because the counterparties have high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk, details are as follows:

Foreign currency risk

The Group's exposure to foreign currency risk is limited because the Group purchases construction supplies, machinery and equipment in foreign currencies in low volume. The Group seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate.

The Group has no remaining forward exchange contract as at 31 December 2023 and 2022.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at financial institutions, short-term borrowings from financial institutions and lease liabilities. Most of the Group's financial assets and liabilities are non-interest bearing, the remaining are bear floating interest rates or fixed interest rates which are close to the market rate, the Group does not use derivatives to manage its interest rate risk.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

Consolidated financial statements														
2023							2022							
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate	Fixed interest rates			Floating interest rates	Non-interest bearing	Effective interest rate	
	Within 1 year	1 - 5 years	Over 5 years					Within 1 year	1 - 5 years	Over 5 years				
	(Thousand Baht)						(% per annum)	(Thousand Baht)						(% per annum)
Financial assets														
Cash and cash equivalents	-	-	-	422,766	52,048	474,814	See Note 7	-	-	-	480,175	67,295	547,470	See Note 7
Trade and other receivables	-	-	-	-	321,835	321,835	-	-	-	-	-	647,416	647,416	-
Retention receivables	-	-	-	-	346,368	346,368	-	-	-	-	-	387,117	387,117	-
Other current financial assets	-	-	-	-	-	-	-	-	-	-	-	251,461	251,461	-
Restricted bank deposits	121,556	253,376	-	4,574	-	379,506	0.55 - 1.15	128,803	225,025	-	3,626	-	357,454	0.15 - 0.55
	121,556	253,376	-	427,340	720,251	1,522,523		128,803	225,025	-	483,801	1,353,289	2,190,918	
Financial liabilities														
Short-term loans from financial institutions	-	-	-	2,015,824	-	2,015,824	See Note 18	-	-	-	2,180,825	-	2,180,825	See Note 18
Trade and other payables	-	-	-	-	1,178,726	1,178,726	-	-	-	-	-	1,481,680	1,481,680	-
Retention payables	-	-	-	-	318,146	318,146	-	-	-	-	-	273,230	273,230	-
Lease liabilities	50,733	33,288	54,334	-	-	138,355	Interest rate per agreements	57,321	36,345	61,106	-	-	154,772	Interest rate per agreements
	50,733	33,288	54,334	2,015,824	1,496,872	3,651,051		57,321	36,345	61,106	2,180,825	1,754,910	4,090,507	

Separate financial statements																
2023										2022						
	Fixed interest rates				Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)	Fixed interest rates				Floating interest rates	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year					1 - 5 years	Over 5 years						
(Thousand Baht)																
Financial assets																
Cash and cash equivalents	-	-	-	-	81,316	13,199	94,515	See Note 7	-	-	-	144,357	34,671	179,028	See Note 7	
Trade and other receivables	-	-	-	-	-	173,559	173,559	-	-	-	-	-	442,362	442,362	-	
Retention receivables	-	-	-	-	-	119,469	119,469	-	-	-	-	-	156,077	156,077	-	
Short-term loans to related party	160,000	-	-	-	-	-	160,000	See Note 6	200,000	-	-	-	-	200,000	See Note 6	
Other current financial assets	-	-	-	-	-	-	-	-	-	-	-	-	251,461	251,461	-	
Restricted bank deposits	737	181,707	-	-	-	-	182,444	0.60 - 1.15	29,704	159,924	-	-	-	189,628	0.15 - 0.40	
	160,737	181,707	-	-	81,316	306,227	729,987		229,704	159,924	-	144,357	884,571	1,418,556		
Financial liabilities																
Short-term loans from financial institutions	-	-	-	-	1,195,846	-	1,195,846	See Note 18	-	-	-	1,199,263	-	1,199,263	See Note 18	
Trade and other payables	-	-	-	-	-	665,437	665,437	-	-	-	-	-	810,663	810,663	-	
Short-term loans from related party	10,000	-	-	-	-	-	10,000	See Note 6	10,000	-	-	-	-	10,000	See Note 6	
Retention payables	-	-	-	-	-	101,976	101,976	-	-	-	-	-	76,874	76,874	-	
								Interest rate per agreements							Interest rate per agreements	
Lease liabilities	22,586	14,211	7,243	-	-	-	44,040		23,457	15,005	10,998	-	-	49,460		
	32,586	14,211	7,243	-	1,195,846	767,413	2,017,299		33,457	15,005	10,998	1,199,263	887,537	2,146,260		

The following table demonstrates the sensitivity of the Group's profit before tax next year from the changes in interest rates on loans with floating rates, calculated on outstanding loan balance as at 31 December 2023 and 2022, regardless of the expiration date of each loan contract.

	2023		2022	
	Increase/ decrease	Effect on profit before tax	Increase/ decrease	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Short-term loans from				
financial institutions	0.5	(10,036)	0.5	(10,885)
	(0.5)	10,036	(0.5)	10,885

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, loans from financial institutions and lease contracts. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's financial liabilities as at 31 December 2023 and 2022 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

Consolidated financial statements

	2023					2022				
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Short-term loans from financial institutions	-	2,015,824	-	-	2,015,824	-	2,180,825	-	-	2,180,825
Trade and other payables	-	1,178,726	-	-	1,178,726	-	1,481,680	-	-	1,481,680
Retention payables	-	318,146	-	-	318,146	-	273,230	-	-	273,230
Lease liabilities	-	53,390	38,371	61,109	152,870	-	59,944	41,864	69,041	170,849
Total financial liabilities	-	3,566,086	38,371	61,109	3,665,566	-	3,995,679	41,864	69,041	4,106,584

(Unit: Thousand Baht)

Separate financial statements

	2023					2022				
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Short-term loans from financial institutions	-	1,195,846	-	-	1,195,846	-	1,199,263	-	-	1,199,263
Trade and other payables	-	665,437	-	-	665,437	-	810,663	-	-	810,663
Short-term loans from related party	10,000	-	-	-	10,000	10,000	-	-	-	10,000
Retention payables	-	101,976	-	-	101,976	-	76,874	-	-	76,874
Lease liabilities	-	23,408	15,072	7,440	45,920	-	24,198	16,085	11,408	51,691
Total financial liabilities	10,000	1,986,667	15,072	7,440	2,019,179	10,000	2,110,998	16,085	11,408	2,148,491

33.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair values are not expected to be materially different from the amounts presented in the statements of financial position.

During the current year, there were no transfers within the fair value hierarchy.

34. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2023, the Group's debt-to-equity ratio was 3.3:1 (2022: 3.5:1) and the Company's debt-to-equity ratio was 1.9:1 (2022: 2.3:1).

35. Events after the reporting period

- a) On 22 January 2024, the subsidiary's Board of Director's meeting passed a resolution the payment of a interim dividend from retained earnings as of 30 September 2023 of the subsidiary to the subsidiary's shareholders of Baht 15.000 per share or a total of Baht 30.0 million. The dividend has already paid on 12 February 2024.
- b) On 27 February 2024, the Company's Board of Directors' meeting passed a resolution to propose the payment of a dividend to the Company's shareholders of Baht 0.012 per share or a total of Baht 8.4 million. This will be proposed to the Annual General Meeting of the Company's shareholders for approval.

36. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2024.



04 Attachment



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Attachment 1

Information of the Board of Directors, Executives, The person taking the highest responsibility in finance and accounting, The person supervising accounting and Company Secretary

1. Information of the Board of Directors, Executives, Controlling Persons and Company Secretary

Name-Surname	Age (year)	Education/ Certification	(%) of Share Possession	Family Relationship among Directors and Executives
1. Mr. Chaiwat Utaiwan (“Mr. Chaiwat”) Chairman of the Board of Directors / Independent Director	71	- Master of Business Administration (Executive), Sasin Graduate Institute of Business Administration - Master of Science (Mathematics and Computer Science) University of Louisville, Kentucky, USA - Bachelor of Science in Statistics, Faculty of Commerce and Accountancy, Chulalongkorn University Training Program <u>Thai Institute of Directors Association (IOD)</u> - Director Certification Program (DCP 18/2002) - Role of Chairman Program (RCP 29/2012) - Board Nomination and Compensation Program (BNCP 5/2018) - Board that Make a Difference (BMD 7/2018) - Advance Audit Committee Program (AAP 40/2021) - Director Leadership Certification Program (DLCP 1/2022) <u>Other Certification</u> - National Defense Course, Class 20, The National Defense College - Advanced Political and Electoral Development Program: APED VIII) class 8, Political and Electoral Development Institute - Thailand Insurance Leadership Program, Class No.6, Insurance Leadership Institute - The Executive Program in Energy Literacy for a Sustainable Future Class No.4, TEA Thailand Energy Academy - Bhumipalung Phandin Program for senior executive level program, Class 1, Chulalongkorn University - Top Executive Program in Commerce and Trade (TEPCoT), Class 6, University of Thai Chamber of Commerce - Corporate Governance for Directors and Senior Executives of State Enterprises and Public Organizations and Public Director Institute, Class 12, King Prajadhipok’s Institute - Capital Market Academy Leadership Program (CMA), Class 3, Capital Market Academy - Health Ambassador for executive level program, Class 1, Chulaphorn Royal Academy - Medical governance for senior executive level certificate program, Class 8, King Prajadhipok’s Institute and The Medical Council of Thailand	0.20	-None-

	Working Experiences in the 5 Preceding Years		
	Time Period	Position	Organization/ Company
Position in Other Listed Company			
2020 – Present	Chairman of the Board of Directors	Thanasiri Group Public Company Limited	
2019 – Present	Chairman of the Board of Directors	Next Capital Public Company Limited	
2018 – Present	Chairman of the Risk Management Committee Independent Director	Grand Asset Hotels and Property Public Company Limited	
2018 – Present	Advisory Committee	TTW Public Company Limited	
2015 – Present	Director and Executive Director	CK Power Public Company Limited	
2019 – Aug 2021	Chairman of the Board of Directors	TBSP Public Company Limited	
Position in Other Non-listed Company			
May 2022 - Present	Honorary Chairman of the Board of Directors and Advisor	Thai Institute of Directors Association (IOD)	
Jun 2021 – May 2022	Chairman of the Board of Directors	Thai Institute of Directors Association (IOD)	
2016 – 2021	Director and Chairman of the Nomination and Remuneration Committee	Thai Institute of Directors Association (IOD)	
Jun 2021 – 2023	Chairman of the Board of Director	Thai Private Sector Collective Action Against Corruption (CAC)	
2021 – Present	Senior Advisor	Faculty of Medicine, Chulalongkorn University	
2021 – Present	Chairman of the Board of Director	MDCUS Company Limited	
2020 – Present	Director	Faculty of Medicine, Chulalongkorn University Foundation	
2020 – Present	Vice Chairman of the Board of Director	Anabuki-Thanasiri (Thailand) Co., Ltd	
2017 – Present	Director	Faculty of Commerce and Accountancy, Thammasat University	

Name-Surname	Age (year)	Education/ Certification	(%) of Share Possession	Family Relationship among Directors and Executives
2. Mr. Veerasak Kositpaisal ("Mr. Veerasak") Director Chairman of the Audit and Risk Management Committee / Independent Director	70	- Master of Science (Mechanical Engineering) Texas A&I University - Bachelor of Engineering (Mechanical), Chulalongkorn University Training Program <u>Thai Institute of Directors Association (IOD)</u> - Director Certification Program (DCP 82/2006) - Finance for Non-Finance Directors (FND 30/2006) - Risk Management Program for Corporate Leaders (RCL 2/2015) - Director Leadership Certification Program (DLCP 0/2021) <u>Other Certification</u> - Top Executive Program in Commerce and Trade (TEPCoT 2/2009) Commerce academy University of the Thai Chamber of Commerce - The Executive Program in Energy Literacy for a Sustainable Future Class No.5, TEA Thailand Energy Academy - Leadership Development Program "Enhancing Competitiveness" International Institute for Management Development (IMD) - Capital Market Academy Leadership Program (CMA), Class 11, Capital Market Academy	0.20	-None-

	Working Experiences in the 5 Preceding Years		
	Time Period	Position	Organization/ Company
	2015 – Present	Director	Faculty of Commerce and Accountancy, Chulalongkorn University
	2015 – Present	Director	The Royal Patronage of His Majesty the King's Guard Foundation under the Royal Patronage of His Majesty the King
	2018 – Jan 2021	Managing Director and Office of the Treasury Director	Thai Red Cross Society
	2014 – 2020	Director	Pathum Thani Water Co., Ltd
	2014 – 2020	Director	Thai Water Operations Co., Ltd

Position in Other Listed Company

Aug 2023 – Present	Independent Director, Chairman of the Audit Committee	Bangchak Sriracha Public Company Limited
2019 – Present	Chairman of the Board of Directors	Glow Energy Public Company Limited
2017 – Present	Independent Director/ Member of the Audit Committee/ Chairman of the Nomination and Remuneration Committee	TOA Paint (Thailand) PCL
2018 – Apr 2021	Chairman of the Board of Directors	Eastern Water Resources Development and Management PCL.
2015 – Jun 2019	Independent Director, Chairman of the Corporate Governance Committee, and Member of the Risk management	MCOT PCL.

Position in Other Non-listed Company

Jun 2021 – Present	Director and Member of the Corporate Governance	Thai Institute of Directors Association (IOD)
Sep 2017 – Present	Independent Director/ Chairman of the Audit Committee	Sapthip Co. Ltd.
2016 – Present	Specialist in Good Corporate Governance and Corporate Social Responsibility	Stock Exchange of Thailand
Apr 2020 – Present	Advisor	DTGO CORPORATION LIMITED
2018 – Jun 2019	Director	Tobacco Authority of Thailand
2014 – 2018	Chairman of the Board of Director	HMC Polymers Co., Ltd.

Name-Surname	Age (year)	Education/ Certification	(%) of Share Possession	Family Relationship among Directors and Executives	
3. Mrs. Yupin Garnjanawigai ("Mrs. Yupin ") Director Member of the Audit and Risk Management Committee / Member of the Nomination and Remuneration Committee / Independent Director	60	- Master of Accounting, Faculty of Commerce and Accountancy, Thammasat University - Bachelor of Accounting, Faculty of Commerce and Accountancy, Thammasat University Training Program <u>Thai Institute of Directors Association (IOD)</u> - Director Certification Program (DCP 115/2009) - Successful Formulation & Execution Strategy (SFE 5/2009) - Board Nomination and Compensation Program (BNCP 18/2023) <u>Other Certification</u> - Thailand Certified Public Accountant (CPA), ASEAN Chartered Professional Accountant (ASEAN CPA), and Former Certified Information Systems Auditor (CISA)	0.10	-None-	
4. Mr. Chainarong Chochai ("Mr. Chainarong") Director, Member of the Audit and Risk Management /Independent Director	68	- Master of Political Science, Ramkhamhaeng University - Bachelor of Laws, Ramkhamhaeng University Training Program <u>Thai Institute of Directors Association (IOD)</u> - Director Accreditation Program (DAP 136/2017)	0.10	-None-	

Working Experiences in the 5 Preceding Years		
Time Period	Position	Organization/ Company

Position in Other Listed Company

Apr 2022 - Present	Director and Executive Director	Thanasiri Group Public Company Limited
2012 – Mar 2022	Management Advisor	Thanasiri Group Public Company Limited
2019 – Present	Strategic and Business Risk Management Advisor	S&P Syndicate Public Company Limited

Position in Other Non-listed Company

Apr 2022 - Present	Sub-Committee Member, Vocation Education Central Region Journal 5, Strategic and Legal	Vocation Education Central Region Journal 5
Dec 2020 – Present	Chairman of the Working Group	Working Group of public relations and cooperation for National Qualifications Framework
Sep 2020 – Present	Sub-Committee Member	National Qualifications Framework Sub-Committee

Position in Other Listed Company

-None-

Position in Other Non-listed Company

2022 – Present	Executive Adviser	Office of The Public Development Commission
2022 – Present	Executive Committee	Digital Government Development Agency
2020 – Present	Qualification Sub-Committee	Federation of Accounting Professions Under The Royal Patron- age of His Majesty The King
2020 – Present	Qualification Committee,	Department of Intellectual Property
2018 – Present	Project Advisor	Office of The Public Development Commission
2021	Committee to Consider the Draft Public Limited Company Act	National Assembly of Thailand
2015 – 2016	Inspector General	Ministry of Commerce
2014 – 2015	Deputy Director General	Department of Business Development

Name-Surname	Age (year)	Education/ Certification	(%) of Share Possession	Family Relationship among Directors and Executives	
5. Assoc. Prof. Dr. Tanit Tongthong ("Mr. Tanit") Director Chairman of the Nomination and Remuneration Committee / Non-Executive Director	61	- Ph.D. in Civil Engineering, University of Maryland, USA - Master of Civil Engineering, University of Missouri, USA - Bachelor of Engineering, Major in Civil Engineering, Faculty of Engineering, Chulalongkorn University Training Program <u>Thai Institute of Directors Association (IOD)</u> - Director Accreditation Program (DAP 11/2004) - Advanced Audit Committee Program (AACP 29/2018) - Board Nomination and Compensation Program (BNCP 17/2023)	0.10	-None-	
6.Mr. Piyadit Atsavarisuk ("Mr. Piyadit") Director / Executive Director / Chairman of the Executive Committee / Chief Executive Officer	46	- Master of Science In Construction Engineering and Management Stanford University - Bachelor of of Engineering (Civil Engineering), Chulalongkorn University Training Program <u>Thai Institute of Directors Association (IOD)</u> - Director Certification Program (DCP 215/2016) - Family Business Governance (FBG 10/2017) - Director Leadership Certification Program (DLCP 1/2021)	45.0 Including Direct and Indirect Share"	-None-	
7. Mr. Phanthanont Lertwattanasakul ("Mr. Phanthanont") Director / Executive Director / Chief Administrative Officer / Executive Director	59	- Bachelor of Business Administration (General Administration), Faculty of Business Administration, Ramkhamhaeng University Training Program <u>Thai Institute of Directors Association (IOD)</u> - Director Certificate Program (DCP 216/2016) - Subsidiary Governance Program (SGP 2/2022)	-None-	-None-	

Working Experiences in the 5 Preceding Years		
Time Period	Position	Organization/ Company
Position in Other Listed Company		
Sep 2022 - Present	Managing Director	Pre-Built Public Company Limited
2004 – Sep 2022	Independent Director and Member of the Audit Committee	Pre-Built Public Company Limited
Aug 2022 - Present	Director and Member of the Audit Committee	WIIL Public Company Limited
2018 – Apr 2021	Independent Director and Member of the Audit Committee	Project Planning Service
Position in Other Non-listed Company		
Jan 2004 – Present	Board of University Council	Chulalongkorn University
2016– 2018	Director	The Botanical Garden Organization
Position in Other Listed Company		
-None		
Position in Other Non-listed Company		
Apr 2021 – Present	Secretary - General	Thai Contractors Association Under H.M. The King
Mar 2021 – Present	Director	Institute for Management Education for Thailand Foundation
2021 – Present	Director	The Thai Chamber of Commerce, Board of Trade of Thailand
2011 – Present	Director	Civil Construction Services & Products Company Limited
2012 – Present	Director	The C.E.C. Construction Company Limited
2018 – Present	Director	Atsavasirisuk Holding Company Limited
2011 – Present	Director	Silasakol Saraburi Company Limited
2017 – 2023	Director	Thanaphusila Company Limited
Position in Other Listed Company		
-None-		
Position in Other Non-listed Company		
2019 – Present	Director	Civil Construction Services & Products Company Limited
2001 – 2019	Chief Administrative Officer	Civil Construction Services & Products Company Limited
1997 – Present	Director	Petch Pahol Home Company Limited

Name-Surname	Age (year)	Education/ Certification	(%) of Share Possession	Family Relationship among Directors and Executives	
8. Mr. Anuwat Lertchaiworagul ("Mr. Anuwat") Executive Member / Chief Operating Officer	65	- Bachelor of Engineering (Civil Engineering), Faculty of Engineering, Kasetsart University Training Program <u>Thai Institute of Directors Association (IOD)</u> - Director Certificate Program (DCP 216/2016)	0.02	-None-	
9. Miss Sawittree Phuengrasamee ("Miss Sawittree") Executive Member / Chief Finance and Accounting Officer (CFO)	49	- Master of Business Administration of Kasetsart University - Bachelor's degree in Accounting of Thammasat University	-None-	-None-	
10. Mr. Kitisak Toa-talingchan ("Mr. Kitisak") Executive Member / Chief Machinery & Plant Officer (CMO)	53	- Bachelor of Engineering (Mechanical Engineering), Faculty of Engineering, Rangsit University Training Program <u>Thai Institute of Directors Association (IOD)</u> -Director Accreditation Program (DAP 153/2018)	-None-	-None-	
11. Mr. Sarawut Baisee ("Sarawut") Accounting and Finance Director	31	- Master's degree: Master of Accountancy, Chulalongkorn University - Bachelor's degree: Bachelor of Accountancy, University of the Thai Chamber of Commerce	-	None	

Working Experiences in the 5 Preceding Years		
Time Period	Position	Organization/ Company
Position in Other Listed Company		
-None-		
Position in Other Non-listed Company		
2019 – Present	Executive Member /Chief Engineering Officer	Civil Engineering PCL.
1981 – 2019	Chief Engineering Officer	Civil Construction Services and Products Company Limited
2009 – Present	Director	Nimit 317 Company Limited
Position in Other Listed Company		
2020 – Sep 2022	-Member of Executive Committee, Secretary of Investment Committee -EVP Assistant Managing Director Accounting	DEMCO Public Company Limited
2011 – 2019	Senior Manager	Pruksa Real Estate Public Company Limited
Position in Other Non-listed Company		
-None-		
Position in Other Listed Company		
-None-		
Position in Other Non-listed Company		
1993 – 2019	Mechanic and Factory Director	Civil Construction Services and Products Company Limited
Position in Other Listed Company		
May 2023 – Nov 2023	Head of Accounting	Aqua Corporation Public Company Limited / Managing investments in various business sectors.
Position in Other Non-Listed Company		
2019 – Apr 2023	Accounting and Finance Manager	Sukhumvit Asset Management Company Limited / Asset Management

Name-Surname	Age (year)	Education/ Certification	(%) of Share Possession	Family Relationship among Directors and Executives
12. Mr. Chaovarat Pattamatat Company Secretary	52	- Master of Economic Laws, Faculty of Law, Chulalongkorn University - Bachelor of Law, Faculty of Law, Thammasat University Training Program <u>Thai Institute of Directors Association (IOD)</u> - Company Secretary Program 131/2022 <u>Other Certification</u> - Advance Corporate Secretary ปี 2019 / TLCA - Fundamentals for Corporate Secretary ปี 2019 / TLCA - Notarial Service Attorney 2003, Lawyers Council of Thailand - Office of Training Department of the Solicitor General 2000, Lawyers Council of Thailand	-None-	-None-

Responsibilities of the Company Secretary:

- (1) Prepare and maintain the following documents:
 - (a) Register of Directors
 - (b) Notices and minutes of board meetings, board reports, and annual reports of the company
 - (c) Notices of shareholders' meetings and shareholders' meeting reports
- (2) Maintain conflict of interest reports as reported by the board of directors and management.
- (3) Organize board meetings and shareholders' meetings in accordance with regulations, rules, and relevant laws.
- (4) Ensure disclosure of information and reporting of information within the scope of responsibility to regulatory agencies and authorities as per regulations and requirements of regulatory bodies.
- (5) Perform other duties as prescribed by the Securities and Exchange Commission.
- (6) Deliver copies of financial performance reports as per Section 89/14 of the Securities and Exchange Act, prepared by the board of directors and management of the company, to the chairman of the board and the internal audit committee within 7 business days from the date the company receives the report.

The company secretary must carry out the above duties with responsibility, caution, honesty, and integrity, and comply with the law, objectives, regulations of the company, resolutions of the board of directors, as well as resolutions passed at shareholder meetings.

	Working Experiences in the 5 Preceding Years		
	Time Period	Position	Organization/ Company
Position in Other Listed Company			
2018 – 2021	Senior Manager, Corporate Secretary	Ananda Development PCL.	
2016 – 2018	Senior Manager, Corporate Secretary	Nirvana Daii PCL.	
2009 – 2016	Duputy Manager, Corporate Secretary	Indorama Ventures PCL.	
2002 – 2009	Assistant Manager, Corporate Secretary	Thantawan Industry PCL.	
Position in Other Non-Listed Company			
Dec 2021 – Jun 2022	First Vice President, Corporate Secretary	Sukumvit Asset Management Co., Ltd.	

Information on the tenure of directors, executives, and controlling persons of subsidiary companies and related companies.

The Company					
	Mr. Chaiwat	Mr. Veerasak	Mrs. Yupin	Mr. Chainarong	
1. CIVIL	X, ID	ID, XAC	ID, AC	ID, AC	
Subsidiary Company					
2. CCSP	-	-	-	-	
3. CEC	-	-	-	-	
4. THE	-	-	-	-	
Related Company					
5. Thanasiri Group PCL.	X	-	D,EC	-	
6. Anabuki-Thanasiri (Thailand) Co., Ltd	XEC	-	-	-	
7. Next Capital Public Company Limited	X	-	-	-	
8. Grand Asset Hotels and Property Public Company Limited	ID, XRC	-	-	-	
9. CK Power Public Company Limited	D, EC	-	-	-	
10. Bangchak Sriracha PCL.	-	ID, XAC	-	-	
11. TOA Paint (Thailand) PCL	-	ID, AC, XNRC	-	-	
12. Sapthip Co. Ltd.	-	ID, AC	-	-	
13. Glow Energy Public Company Limited	-	D	-	-	
14. DTGO CORPORATION LIMITED	-	A	-	-	
15. S&P Syndicate Public Company Limited	-	-	A	-	
16. Pre-Built Public Company Limited	-	-	-	-	
17. WIJK Public Company Limited	-	-	-	-	
18. Silasakol Saraburi Co. Ltd.	-	-	-	-	
19. Atsavasirisuk Holding Company Limited	-	-	-	-	
20. Petch Pahol Home Company Limited	-	-	-	-	
21. Nimit 317 Company Limited	-	-	-	-	

Remark: X - Chairman, D - Director, ID – Independent Director, XAC - Chairman AC , AC – Audit Committee, XEC – Chairman EXCOM
 EC – Executive Committee , XRC – Chairman RMC , NRC – Nomination and Remuneration A – Advisor, M - Management, - There are no directors, executives, or controlling persons of the company's subsidiaries and related companies.

Director and Executive of the Company							
	Mr. Tanit	Mr. Piyadit	Mr. Phanthanont	Mr. Anuwat	Ms. Sawittree	Mr. Kitisak	Mr. Sarawut
	D	D, XEC, M	D, EC, M	EC, M	D, EC, M	M	M
	-	D	D	-	-	-	-
	-	D	-	-	-	-	-
	-	D	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	ID, AC, M	-	-	-	-	-	-
	ID, AC	-	-	-	-	-	-
	-	D	-	-	-	-	-
	-	D	-	-	-	-	-
	-	-	D	-	-	-	-
	-	-	-	D	-	-	-

Attachment 2

Information of Subsidiary Directors.

Subsidiary Directors	Director			
	Mr. Piyadit Atsavasirisuk	Mr. Phanthanont Lertwattanasasikul	Mr. Adisak Vijitthanarak	Mrs. Pitchaporn Sooksatapornpong
1. CCSP	/	/	/	-
2. THE	/	-	-	/
3. CSTT	/	/	/	-

Remark: 1. CCSP : Civil Construction Services & Products C
3. CSTT : Civil S.T.T. Company Limited

2. THE : The C.E.C. Construction Company Limited

Attachment 3

Details on Internal Audit Head

Name / Position	Age (years)	Education / Training Program	Experience		
			Period	Position	Company
1. Miss Kitlada Samngam Head of Internal Audit Certified Professional Internal Audit of Thailand (CPIAT)	38	<u>Education</u> - Bachelor degree in Management Information Systems, Faculty of Accounting, Walailak University <u>Training Program</u> - Digital Era Business and Legal Risks - Private Sector Collaborative Anti-Corruption Initiatives in Thailand - Writing Internal Audit Findings (Fact Finding) - International Standards for the Professional Practice of Internal Auditing - Internal Audit in Information Systems - Integrated Internal Audit for Sales and Accounts Receivable Systems - Anti-Corruption Act B.E. 2542 - Training on Internal Auditor Standards Part 1 - Internal Audit Training to Prepare for Global Certification (Pre CIA) from Chulalongkorn University - Internal Audit Comprehensive: IAC - Effective Internal Control Systems for Service Businesses (Hospital) - Effective Internal Control Systems for Manufacturing Businesses - Effective Internal Control Systems for Energy Businesses - Inventory & Delivery Control Processes - Accounting and Financial System Control Processes - Human Resource Management System Control Processes - Procurement System Control Processes - Digital Assets: General Knowledge and Relevant Laws - Basic Knowledge of Customs Tax - Cybersecurity Audit - General IT System Control (ITGC) - Thailand's Personal Data Protection Act (PDPA) B.E. 2562 (A.D. 2019) - Course on "Preparing the 56-1 One Report - Sustainability Reporting" - Agile Auditing - Asian Confederation of Institutes of Internal Auditors Conference 2022 (Thailand) - Ethics - Effective Internal Control Systems for Accounting	2018 - Present	Deputy Division Manager	Dharmniti Internal Audit Company Limited
			2016 - 2017	Department Head	Dharmniti Internal Audit Company Limited
			2014 - 2015	Risk Management and Internal Audit Assistant Manager	Dharmniti Auditing Company Limited
			2010 - 2013	Senior Internal Auditor	Dharmniti Auditing Company Limited
			2007 - 2010	Internal Auditor	Dharmniti Auditing Company Limited

Attachment 4

Assets used in business operations and Asset Revaluation

Detail of Assets used in business operations.



1. Land

As of December 31, 2023, the group company owns 4 plots of land, with a total net book value according to the company's consolidated financial statements of 7.58 million baht, or equivalent to 0.10% of the total assets, as detailed below.

Details of properties	Owned by	Net Book Value (Million Baht)
1. Land for storing machinery and equipment, totaling 3 plots with a size of 22-0-09 Rai, located at La-ngu Subdistrict, La-ngu District, Satun Province.	CIVIL	5.38
2. Land for storing machinery and equipment, consisting of 1 plot sized 11-0-06 Rai, located at title deed no. 130245, Tha Kham Subdistrict, Hat Yai District, Songkhla province.	CIVIL	2.20
Total		7.58

2. Buildings and building improvements.

As of December 31, 2023, the group company owns buildings and building improvements situated on land leased from external parties, with a total net book value according to the company's consolidated financial statements of 290.83 million baht, or equivalent to 3.80% of the total assets, as detailed below.

Details of properties	Owned by	Net Book Value (Million Baht)
1.1 Ready-mix concrete plant located at Moo 5, Tambon Phukhamjan subdistrict, Phra Phutthabat district, Saraburi Province	CIVIL	3.05
1.2 1Tractor and Heavy Machinery Maintenance and Repair Center located at No. 60, Moo 5, Na Phra Lan subdistrict, Chaloem Phra Kiat district, Saraburi Province	CIVIL	1.21
1.3 Asphaltic Concrete Production Plant Located at NorSor3Kor No. 619, Volume 7Kor, Page 19, Land no.26 Moo 2, Thap Prik subdistrict, Mueang Krabi district, Krabi province	CIVIL	4.75
1.4 Ready-mix concrete production plant with a capacity 18,000 cubic meters/year Located at NorSor3Kor No. 619, Volume 7Kor, Page 19, Land no.26 Moo 2, Thap Prik subdistrict, Mueang Krabi district, Krabi province	CIVIL	- ¹
1.5 Tractor and Heavy Machinery Maintenance and Repair Center ² Located at NorSor3Kor No. 619, Volume 7Kor, Page 19, Land no.26 Moo 2, Thap Prik subdistrict, Mueang Krabi district, Krabi province	CIVIL	- ¹
1.6 Tractor and Heavy Machinery Maintenance and Repair Center ² Located at No. 17837, Volume 179, Page 37, Land No. 17, Trang-Palian Road, Moo 9, Thung Khai subdistrict, Yan Ta Khao district, Trang Province	CIVIL	- ¹
1.7 Office building and asphalt concrete production plant Located at Moo 5, Han Sang subdistrict, Bang Pahan district, Phra Nakhon Si Ayutthaya Province	CIVIL	13.38
Total CIVIL		22.39
2.1 CEC office building Located at No. 68/9, Kamphaeng Phet 6 Road, Lat Yao, Chatuchak, Bangkok	CCSP	38.29
2.2 Prestressed concrete beam and highway guardrail production plant Located at No. 60, Moo 5, Na Phra Lan subdistrict, Chaloem Phra Kiat district, Saraburi Province	CCSP	18.82
2.3 Office building and precast hollow concrete bridge component production plant Located at Moo 5, Phukhamjan subdistrict, Phra Phutthabat district, Saraburi Province	CCSP	191.54
2.4 Precast reinforced concrete production plant (Parapet) Located at Moo 5, Phukhamjan subdistrict, Phra Phutthabat district, Saraburi Province	CCSP	4.54
2.5 Ready-mix concrete plant 2 Located at NorSor3Kor No. 619, Volume 7Kor, Page 19, Land no.26 Moo 2, Thap Prik subdistrict, Mueang Krabi district, Krabi province	CCSP	0.77

Details of properties	Owned by	Net Book Value (Million Baht)
2.9 Asphalt concrete production plant Located at No. 17837, Volume 179, Page 37, Land No. 17, Trang-Palian Road, Moo 9, Thung Khai subdistrict, Yan Ta Khao district, Trang Province	CCSP	8.99
Total CCSP		262.95
3.1 Asphalt concrete production plant Located at No. 39, Moo 5, Phukhamjan subdistrict, Phra Phutthabat district, Saraburi Province	THE	2.36
3.2 Ready-mix concrete production plant Located at NorSor3, Volume 12(1), Page 43, Moo 2, Thap Prik subdistrict, Mueang Krabi district, Krabi province	THE	- ¹
Total THE		2.36
4 Temporary buildings according to project contracts and others	CCSP and CIVIL	3.13
Total		290.83

Remark: 1 The asset had been fully depreciated

2 Machinery that does not exceed the size specified by law, and buildings for such operations have not been modified or expanded in any way. In this case, there is no requirement for additional essential permits.

3. Equipment and machinery

As of December 31, 2023, the group company owns equipment and machinery with a total net value according to the company's consolidated financial statements of 332.41 million baht, or equivalent to 4.34% of the total assets. The equipment and machinery have an approximate lifespan of 5 and 10 years.

4. Asset under construction and installation

As of December 31, 2023, the group company has assets under construction and installation, with a total net book value according to the company's consolidated financial statements of 78.92 million baht, or equivalent to 1.03% of the total assets, as detailed below.

Details of properties	Owned by	Net Book Value (Million Baht)
1. Buildings and building improvements	CIVIL and subsidiaries	0.19
2. Equipment and machinery	CIVIL and subsidiaries	76.43
Total		76.62

Attachment 5

Notice Board of Directors

No. 1/2020

Corporate Governance Policy

To comply with the resolution of the board of directors at the 3rd meeting of 2020 on May 15, 2020, the company hereby announces the policy on corporate governance to serve as the guiding principle and practice direction as follows:

Principle

Civil Engineering Public Company Limited and its subsidiaries ("the Company") firmly believe that good corporate governance processes will facilitate effective management, efficiency, accountability, transparency, auditability, confidence-building, and assurance to shareholders, stakeholders, and all parties involved. It helps the company achieve its strategies, objectives, and goals, ensures adaptability to changes, and creates sustainable value, fostering long-term growth and stability.

The company therefore establishes a corporate governance policy in accordance with the principles of good corporate governance for registered companies in 2017, or the Corporate Governance Code (CG Code) of the Securities and Exchange Commission ("SEC"), to serve as a guideline for stakeholders to adapt and implement. Additionally, it mandates regular reviews of this corporate governance policy at least once a year to ensure its relevance to the business environment and changes therein.

Corporate Governance Policy

The company acknowledges the importance of good corporate governance, which is a fundamental factor in fostering fairness for shareholders, enhancing the company's operations to achieve its strategies and objectives, creating value for shareholders, and ensuring sustainable and stable growth of the company. To this end, the company establishes principles and practices regarding good corporate governance. The key essence of the policy can be categorized into 8 principles as follows:

Principles 1

Establish Clear Leadership Role and Responsibilities of the Board

Principles 1.1 The board of directors understands its role and recognizes the responsibility as leaders to ensure effective management within the organization, encompassing various aspects, including.

- (1) Strategy, objectives, and goal setting
- (2) Policy formulation, operational planning, as well as resource allocation to achieve the strategy, objectives, and goals.
- (3) Monitoring, evaluation, and oversight of operational performance reporting

Principles 1.2 The board of directors is tasked with overseeing the company towards governance outcomes in creating sustainable value for the company. This involves establishing various policies, including corporate governance policies, conflict of interest policies, related-party transaction policies, and business ethics policies for directors, executives, and employees. The aim is to generate sustainable value for the company, promote ethical business conduct, uphold responsibility to shareholders, stakeholders, society, and the environment, along with maintaining good corporate performance and adaptability to change. Furthermore, there should be regular reviews and enhancements of key policies and plans to ensure their currency and suitability to the business environment. Additionally, communication should be facilitated throughout the company to ensure that everyone is informed and adheres to the guidelines for conducting business in a sincere manner.

Principles 1.3 The board of directors is responsible for ensuring that all directors and executives fulfill their duties with due care and loyalty to the organization and oversee that operations are conducted in accordance with relevant laws, regulations, and standards, such as the Securities and Exchange Act B.E. 2535 (as amended), particularly sections 89/7, 89/8, 89/9, and 89/10 (details attached). This includes regulations, resolutions from shareholder meetings, and company policies or guidelines. The company must establish adequate systems or mechanisms to ensure that its operations comply with relevant laws, objectives, regulations, board resolutions, shareholder resolutions, and company policies. Additionally, the company must have processes for approving significant operations such as investments, transactions with significant impact on the company, dealings with related parties, acquisitions/disposals of assets, dividend payments, etc., in accordance with legal requirements.

Principles 1.4 The board of directors understands its roles, responsibilities, and scope of duties and establishes clear boundaries. It delegates tasks and responsibilities to subcommittees, the CEO, and management, with precise delineations. It ensures that these entities carry out their assigned duties and responsibilities through established charters for the board of directors and subcommittees, meticulously documented. Additionally, regular reviews of these charters are conducted at least annually to align with the company's direction.

Furthermore, the company also delineates roles and responsibilities between the board of directors and management to ensure clarity in executing their respective duties. This clarity fosters a balanced distribution of power, facilitates scrutiny of managerial actions, and promotes effective and transparent corporate governance.

The board of directors monitors implementation¹.

- (1) Setting the vision, strategy, objectives, and main goals of the business, including company policies.
- (2) Establishing an organizational culture that adheres to ethics and integrity, serving as a role model.
- (3) Overseeing the structure and practices of the board of directors to ensure alignment with the effective achievement of business strategies, objectives, and main goals.
- (4) Recruiting, developing, defining compensation, and evaluating the performance of executive officers.
- (5) Defining a compensation structure that serves as a motivational tool for employees to align their work with the organization's strategy, objectives, and main goals.

The board of directors and Management implementation together².

- (1) Setting and reviewing strategies, objectives, and annual plans.
- (2) Ensuring adequacy and appropriateness of the risk management and internal control systems.
- (3) Defining operational authorities appropriate to management responsibilities.

1 Refers to matters that are primarily the responsibility of the board of directors to ensure are carried out appropriately. The board must understand and consider these matters carefully. In deliberating actions, the board may delegate the management team to propose items for consideration.

2 Refers to matters that the board of directors, the chief executive officer, and the management should consider together. The management proposes these for the board's approval, ensuring that the overall policy aligns with the objectives and main goals of the business. Furthermore, the board should oversee and delegate the management to carry out these tasks, with the board periodically monitoring and having the management report back as appropriate.

3 Refers to matters that the board should oversee at the policy level, assigning the chief executive officer and the management team as the main responsible parties for execution.

- (4) Establishing frameworks for resource allocation, development, and budgeting, such as human resources management policies and plans, information technology policies, etc.
- (5) Monitoring and evaluating operational performance.
- (6) Ensuring the disclosure of reliable financial and non-financial information.

The board of directors does not undertake³.

- (1) Delegating execution to align with strategies, policies, and approved plans, allowing management the freedom to make operational decisions, procurement, hiring, etc., within the framework of established policies and monitoring results without interfering with decision-making unless necessary.
- (2) Matters explicitly prohibited, such as approving transactions in which board members have a vested interest, etc.

Principles 2

Define Objectives that Promote Sustainable Value Creation

Principles 2.1 The board of directors is responsible for ensuring that the company has clear and appropriate objectives that can serve as the main guiding principles for shaping a business model capable of creating value for the company, shareholders, and society as a whole. This consideration involves evaluating the following factors:

- (1) Environmental conditions and various influencing factors, including the utilization of innovations and technologies appropriately.
- (2) Demands of clients and stakeholders.
- (3) Company's readiness, competence, and competitive abilities.

Furthermore, the company will promote communication and foster an environment where the objectives and main goals of the organization are reflected in decision-making and operations at all levels, ultimately developing an organizational culture guided by principles of good corporate governance.

Principles 2.2 The board of directors is responsible for overseeing the development of strategies and annual plans that align with the company's objectives and main goals. This involves considering the company's environmental factors, as well as various opportunities and risks that may impact all stakeholders. Innovation and technology will be appropriately utilized, and there will be guidance on resource allocation and operational control to ensure suitability.

Additionally, objectives, goals, and strategies for the medium to long term (3-5 years) will be established or reviewed to ensure that strategies and annual plans consider long-term impacts and can be forecasted accordingly.

Furthermore, the board will set both financial and non-financial targets appropriate to the business environment, while being mindful of the risks associated with goal setting that could lead to unethical conduct or legal violations. They will oversee the dissemination of objectives and goals throughout the organization via strategies and plans, ensuring alignment across the entire organization.

Principles 3 Strengthen Board Effectiveness

Principles 3.1 The board of directors is responsible for establishing and reviewing the board structure, including its size, composition, and the proportion of independent directors, which are appropriate and necessary for guiding the organization towards its objectives and main goals as follows:

- 3.1.1 The board will ensure that the composition includes directors with diverse qualifications, experiences, abilities, and necessary characteristics to achieve the organization's objectives and main goals. This ensures that the overall board possesses suitable qualifications, understands, and responds to the needs of stakeholders. Additionally, there must be at least one non-executive director with experience in the company's primary business or industry.
- 3.1.2 The board will consider the appropriate number of directors to efficiently carry out their duties, with no fewer than 5 directors, depending on the company's circumstances.
- 3.1.3 The board will maintain a proportion between executive and non-executive directors that reflects a balanced distribution of power, by:
 - (1) Mostly consisting of non-executive directors who can provide independent opinions on management's operations.
 - (2) Having a number and qualifications of independent directors according to the criteria of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), ensuring that independent directors can work effectively with the entire board and express independent opinions.
- 3.1.4 The board will disclose policies regarding the composition of the board and director information, such as age, education background, experience, shareholding percentage, years of tenure as a director, and directorships in other registered companies in the annual report and on the company's website.

Principles 3.2 The board of directors is responsible for selecting a suitable person to serve as chairman of the board, who should be an independent director and not the same person as the CEO. The chairman ensures that the composition and operations of the board support the exercise of independent judgment in decision-making. The chairman's duties cover the following aspects:

- (1) Supervising, monitoring, and ensuring that the board's duties are performed efficiently and achieve the organization's objectives and main goals.
- (2) Ensuring that all directors contribute to promoting an organizational culture characterized by ethics and good corporate governance.
- (3) Setting the agenda for board meetings in consultation with the CEO and ensuring that important issues are appropriately included on the agenda.
- (4) Allocating sufficient time for management to present matters and for the directors to thoroughly discuss key issues, promoting the use of informed judgment and the expression of independent opinions.
- (5) Fostering good relationships between executive and non-executive directors, as well as between the board and management.

Furthermore, in cases where the chairman of the board is not an independent director, the company's board of directors will appoint one independent director to participate in setting the agenda for board meetings. This is done to promote a balanced exercise of power between the board and management and to comply with good corporate governance principles for the registered company. The independent director will serve a consecutive term of no more than 9 years from the date of the initial appointment as an independent director. When considering the appointment of an independent director for continued service, the board will assess the necessity of such appointment thoroughly.

Additionally, the board will consider appointing subcommittees to address specific issues, filter information, and propose considerations before presenting them for board approval. The roles and responsibilities of both the board and its subcommittees will be disclosed, along with the frequency of meetings and attendance records of each director in the past year. Furthermore, performance reports of all subcommittees will be disclosed.

Principles 3.3 The board of directors will oversee a transparent and clear process for recruiting and selecting directors to ensure that the board comprises individuals who possess the specified qualifications. The board will arrange for the

consideration of criteria and methods for selecting candidates to ensure the appointment of directors who contribute to the board's knowledge and expertise. Additionally, the board will review the candidates' backgrounds before proposing them for appointment at the shareholders' meeting. Shareholders will be provided with sufficient information about the proposed candidates to make informed decisions.

Principles 3.4 Before proposing the structure and compensation rates for directors for approval at the shareholders' meeting, the board of directors will consider ensuring that the structure and compensation rates for directors are appropriate to their responsibilities and motivate them to lead the organization towards both short-term and long-term objectives. The compensation for directors, in both monetary and non-monetary forms, must be appropriate, linked to the value the company creates for shareholders, and aligned with the company's long-term strategy and objectives. Factors such as experience, workload, role scope, and accountability and responsibility, including the anticipated benefits from each director, will be taken into account. Directors assigned additional duties and responsibilities, such as membership in subcommittees, will receive additional compensation commensurate with industry standards. The board will disclose policies and criteria for determining director compensation that reflect the duties and responsibilities of each individual, as well as the format and amount of compensation received from the company and its subsidiaries.

Principles 3.5 The board of directors will oversee that each director has responsibility for performing their duties and allocate sufficient time. They will establish criteria and limit the number of registered companies where each director can hold positions to no more than 5 registered companies. Additionally, a system for reporting other positions held by directors will be implemented, including disclosure to ensure confidence that directors can devote sufficient time to performing their duties in the company.

In cases where directors hold positions or have direct or indirect interests in other businesses that pose conflicts of interest or may use the company's opportunities or information for their own benefit, the board will ensure that the company has adequate safeguards and notifies shareholders accordingly.

Principles 3.6 The board of directors will oversee the establishment of frameworks and mechanisms to govern and supervise policies and operations of subsidiaries and other significant investments made by the company. These frameworks and mechanisms will be appropriate for each

respective business, ensuring that subsidiaries and invested businesses have a clear and accurate understanding that aligns with the company's objectives.

Principles 3.7 The board of directors will ensure that there is an annual performance evaluation for the board as a whole, its subcommittees, and individual directors. This evaluation will serve as a framework for assessing whether the company's board has adhered to Good Practices or not. It will be used to improve the board's performance and to review any problems or obstacles that occurred during the past year. The results of the evaluation will be utilized for further development of board practices.

Principles 3.8 The board of directors will oversee that both the board as a whole and individual directors have knowledge and understanding regarding their roles, the nature of the business operations, relevant laws, objectives, main goals, vision, mission, and organizational values. This will involve conducting orientation sessions for new directors and providing continuous training and development opportunities for all directors to ensure they are equipped with the necessary knowledge for their roles on an ongoing basis. Furthermore, they will be supported to enhance their skills and understanding of laws, regulations, standards, risks, and business-related environments. Regular access to up-to-date information will be provided, and the training and development activities of the board will be disclosed in the annual report.

Principles 3.9 The board will ensure that its operations are conducted smoothly, that necessary information is accessible, and that the company secretary possesses the requisite knowledge and experience to adequately support the board's functions.

3.9.1 The board will ensure that meeting schedules and agendas are set in advance to enable directors to plan and attend meetings.

3.9.2 The frequency of board meetings will be appropriate to the duties, responsibilities, and nature of the company's business, with no fewer than 6 meetings per year. In cases where the board does not meet monthly, management may provide performance reports to the board in non-meeting months to enable continuous oversight and timely action.

3.9.3 The board will ensure that mechanisms are in place for each director and management to propose agenda items for board meetings.

3.9.4 The board will ensure that meeting materials are distributed to directors at least 7 business days prior to the meeting.

- 3.9.5 The board will support the invitation of senior executives to attend board meetings to provide additional information directly relevant to agenda items and to facilitate familiarity with senior executives for succession planning purposes.
- 3.9.6 The board may access necessary information from the CEO, company secretary, or other delegated executives within the boundaries of established policies, and when necessary, the board may seek independent advice or professional expertise at the company's expense.
- 3.9.7 The board may establish a policy for non-executive directors to meet independently as necessary to discuss management issues of interest without management participation and report outcomes to the CEO.
- 3.9.8 The board will establish the qualifications and experience required for the company secretary to provide guidance on legal and regulatory matters and manage board meeting documents, key documents, and board activities. The qualifications and experience of the company secretary will be disclosed in the annual report and on the company's website.
- 3.9.9 The company secretary will receive continuous training and development beneficial to their duties, and in the case of certified programs, consideration will be given for participation in such programs

Principles 4

Ensure Effective CEO and People Management

Principles 4.1 The board will undertake measures to ensure that there is recruitment and development of the CEO and senior executives with the necessary knowledge, skills, experience, and attributes to drive the organization towards its goals. This includes establishing criteria and methods for selecting individuals with appropriate qualifications, as well as promoting and supporting the CEO and senior executives in receiving training and development to enhance their knowledge and beneficial experience for their roles. Additionally, the board will oversee the creation of a succession plan to prepare for the transition of CEO and senior executive positions and require the CEO to report on succession plan progress to the board at least annually.

Principles 4.2 The board will oversee the establishment of a compensation structure and appropriate evaluation methods as follows:

- 4.2.1 The board will establish a compensation structure that serves as a motivation tool for executives, senior

management, and other employees at all levels, aligning with the organization's objectives and main goals, as well as consistent with the long-term benefits of the company, including: (1) Consideration of the appropriateness of compensation proportions, including salary, short-term performance bonuses, and long-term performance such as Employee Stock Ownership Plans. (2) Formulation of compensation payment policies, considering factors such as the level of compensation compared to industry standards and the company's performance. (3) Development of performance evaluation criteria and communication of these criteria to stakeholders.

- 4.2.2 The non-executive board members will have roles related to compensation and performance evaluation of the CEO at least in the following aspects: (1) Approval of performance evaluation criteria for the CEO, ensuring they motivate the CEO to manage the company according to objectives, main goals, and strategies, aligning with the long-term benefits of the company, with clear communication to the CEO. (2) Annual evaluation of the CEO's performance, with the board chairman communicating the evaluation results and areas for development to the CEO. (3) Approval of the CEO's annual compensation and consideration of the CEO's performance evaluation and other factors.
- 4.2.3 The board will oversee the establishment of criteria and factors for organization-wide performance evaluation.

Principles 4.3 The board will seek to understand the structure and relationships of shareholders that may impact the company's management and the authority to control the company's management, to ensure they do not hinder the duties of the company's board. Additionally, the board will oversee the disclosure of information that may affect the company's governance appropriately.

Principles 4.4 The board will monitor and oversee the management and development of personnel to ensure they possess the appropriate quantity, knowledge, skills, experience, and motivation that align with the organization's direction and strategy.

Principles 5

Nurture Innovation and Responsible Business

Principles 5.1 The board prioritizes and supports innovation that adds value to the business while also benefiting employers or stakeholders and being socially and

environmentally responsible. This includes promoting initiatives to increase company value in response to constantly changing environmental factors. These initiatives may encompass defining the business model, innovating product and service design, analyzing and improving production processes and workflows, as well as collaborating with partners.

Additionally, the board emphasizes creating an organizational culture and ensures that management contributes to strategic reviews, development planning, operational improvement, and performance tracking.

Principles 5.2 The board of directors will monitor and oversee the management to conduct business with social and environmental responsibility, reflected in the operational plan, to ensure that every department of the organization operates in line with the company's objectives, main goals, and strategies. The board will ensure that there is a mechanism in place to ensure that the company conducts its business ethically, with responsibility to society and the environment, without violating the rights of stakeholders. This serves as a guideline for all parts of the organization to achieve sustainable objectives and main goals.

The company's board of directors has established practices for stakeholders outlined in the Corporate Social Responsibility (CSR) and Code of Conduct policies. They will disclose relevant and necessary information to stakeholders adequately, reliably, and in a timely manner. The board must be aware of the importance of stakeholders and act towards them in all groups, including shareholders, employees, employers, partners, the public, and society as a whole, in a transparent, appropriate, fair, balanced, and ethical manner, covering the following areas:

Responsibility towards employees and workers entails adhering to relevant laws and standards and treating them fairly and respecting human rights. This includes:

Setting fair compensation and other benefits. providing welfare benefits that meet or exceed legal requirements as appropriate. ensuring health and safety in the workplace. providing training, skill development, and advancement opportunities. offering opportunities for employees to develop skills in other areas.

Responsibilities towards different stakeholders include:

1. Responsibility towards Employers: This involves complying with laws and relevant standards, considering health, safety, fairness, and confidentiality of employer information. Additionally, monitoring and measuring employer

satisfaction for product and service improvement, as well as conducting advertising and public relations responsibly to avoid misunderstandings or exploitation.

2. Responsibility towards Business Partners: This includes fair procurement processes and equitable contract conditions, providing knowledge, skill development, and service standard elevation. It also entails ensuring respect for human rights and fair labor practices, social and environmental responsibility, and having procedures for evaluating and selecting business partners to sustain business operations effectively.
3. Responsibility towards Communities: Utilizing business knowledge and experience to develop projects that benefit communities ethically. This involves tracking and measuring long-term progress and success.
4. Responsibility towards the Environment: This encompasses preventing, reducing, managing, and ensuring that the company does not create negative environmental impacts. This includes energy usage, water usage, recycling, waste management, and greenhouse gas emissions.
5. Fair Competition: Operating the business transparently and ethically, without creating unfair advantages.
6. Anti-corruption and Compliance: Adhering to laws and relevant standards and establishing and announcing anti-corruption and compliance policies publicly.
7. This includes plans to participate in anti-corruption and compliance networks and supporting other companies and partners in establishing and announcing anti-corruption and compliance policies.

Principles 5.3 The board of directors will oversee the allocation and management of resources to be efficient and effective, considering the impacts and development of resources throughout the value chain to achieve sustainable objectives and main goals. The company should consider at least four types of resources, including financial capital, human capital, social and relationship capital, and natural capital.

Principles 5.4 The board of directors will establish a framework for overseeing and managing information technology (IT) at the organizational level, aligned with the company's needs. This framework will ensure that IT is used to create business opportunities and enhance operational development, while also managing associated risks to achieve the company's objectives and main goals. This framework will include the following components:

- 5.4.1 The board will establish policies for resource allocation and management in information technology (IT), covering the allocation of resources to support business

operations adequately and providing guidelines to accommodate cases where resources cannot be allocated as initially planned.

5.4.2 The board will develop plans and best practices for managing IT-related risks.

5.4.3 The board will ensure policies and measures are in place to maintain the security of information systems. Additionally:

- (1) The company will comply with relevant laws, regulations, and standards related to IT usage.
- (2) The company will maintain data security systems to ensure confidentiality, integrity, and availability of data, preventing unauthorized access or modifications.
- (3) The company will assess IT-related risks and implement measures for risk management, including business continuity management, incident management, and asset management.
- (4) The company will prioritize and allocate IT resources based on criteria such as strategic alignment, impact on business operations, urgency of usage, budget, IT personnel resources, and alignment with the business model.

Principles 6

Strengthen Effective Risk Management and Internal Control

Principles 6.1 Board Oversight for Risk Management and Internal Control

- 6.1.1 The board will ensure understanding of significant risks of the company and approve acceptable risks.
- 6.1.2 The board will review and approve risk management policies aligned with the company's objectives, main goals, strategies, and acceptable risk levels, providing a framework for everyone in the organization to follow in risk management processes. Additionally, the board will prioritize early warning signals and ensure regular reviews of risk management policies.
- 6.1.3 The oversight board will ensure the company identifies risks considering both external and internal factors that may prevent the company from achieving its set objectives. The primary risks monitored by the management board may include strategic risk, operational risk, financial risk, and compliance risk, among others.
- 6.1.4 The board will oversee that the company assesses the impact and opportunities arising from identified risks to prioritize risks and implement appropriate risk management methods.
- 6.1.5 The board will delegate the screening process outlined in sections 6.1.1 - 6.1.4 to the audit committee before

presenting it to the board for consideration as deemed appropriate for the business.

6.1.6 The board will monitor and evaluate the effectiveness of risk management regularly.

6.1.7 The board is responsible for ensuring that the company conducts its business in compliance with relevant national and international laws and standards.

6.1.8 For subsidiaries or other significant investments (e.g., with voting rights ranging from 20% to less than 50%), the board will incorporate the results of internal control and risk management system assessments as part of the consideration outlined in sections 6.1.1 - 6.1.7.

Principles 6.2 The board has established an audit committee comprising at least three members, all of whom must be independent directors and not have any characteristics that would disqualify them under relevant laws. Additionally, they must possess qualifications and fulfill duties according to the criteria set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) to ensure effective and independent performance. The board will define the roles of the audit committee explicitly, including responsibilities outlined in the audit committee charter, such as providing opinions on the adequacy of the risk management and internal control systems, and disclosing them in the annual report.

Principles 6.3 The board will oversee and manage potential conflicts of interest that may arise between the company and management, the board, or shareholders, including preventing improper use of company assets, information, and opportunities. This includes:

- 6.3.1 The board will oversee the establishment of an information security system, including policies and procedures to maintain confidentiality, integrity, and availability of data, as well as managing information that may impact securities prices. Additionally, the board will oversee compliance with data security measures by directors, senior executives, employees, and external parties such as legal and financial advisors.
- 6.3.2 The board will oversee the management and monitoring of transactions that may pose conflicts of interest, ensuring guidelines and practices are in place to ensure compliance with legal disclosure requirements and to serve the best interests of the company and shareholders collectively. Decision-making involving conflicted parties will exclude those with vested interests.
- 6.3.3 The board will establish criteria for directors to disclose conflicts of interest prior to board meetings and document them in board meeting reports. The board will ensure that directors with significant conflicts of

interest in a particular matter refrain from participating in the decision-making process for that agenda item, unless participating in the discussion is deemed necessary.

Principles 6.4 The board will oversee the company's development of clear policies and practices to combat corruption, ensuring communication at all levels of the organization and externally to enable effective implementation. Additionally, the board will organize projects or initiatives to counter corruption and bribery, including supporting activities that promote and instill legal compliance among all employees, as well as relevant regulations and standards.

Principles 6.5 The board has overseen the establishment of mechanisms for receiving complaints and handling cases with clear reporting procedures. Clear guidelines have been set in the company's whistleblowing and complaint policy. Additionally, avenues for lodging complaints will be disclosed on the company's website or in its annual reports.

Principles 7

Ensure Disclosure and Financial Integrity

Principles 7.1 The board is responsible for overseeing that the company's financial reporting and disclosure of significant information are accurate, sufficient, timely, and in accordance with relevant laws, regulations, standards, and practices. This includes:

- 7.1.1 The board ensures that personnel involved in preparing and disclosing information have the appropriate knowledge, skills, and experience for their responsibilities and that an adequate number of personnel are available. This includes personnel such as senior management in the accounting and finance departments, accountants, internal auditors, company secretaries, and investor relations personnel.
- 7.1.2 When providing approval for disclosures, the board considers relevant factors. For financial reports, at least the following factors are considered:
 - (1) The opinions of auditors on financial reports and their observations on internal control systems, as well as any observations communicated by auditors through other channels (if applicable).
 - (2) Alignment with the company's objectives, main goals, strategies, and policies.
- 7.1.3 The board oversees that disclosures, including financial statements, annual reports, Form 56-1, sufficiently reflect the financial position and performance of the company. Additionally, the board supports the preparation of Management's Discussion and Analysis (MD&A) to complement the financial disclosures each

quarter. This is to ensure that investors receive adequate information and understand changes in the company's financial position and performance for each quarter, beyond just numerical data in the financial statements.

- 7.1.4 In cases where disclosures pertain to specific directors individually, those directors are responsible for ensuring the completeness and accuracy of their own disclosures. For example, disclosure of shareholdings by individual directors, disclosures related to their shareholders' agreements, etc.

Principles 7.2 The board will oversee management tracks and evaluates the financial status of the company and reports regularly to the board. The board and management will work together to find swift solutions if early signs indicate financial distress or debt repayment capability issues arise, including approving any transactions or recommendations for shareholder approval. The board must ensure that such transactions do not adversely affect the continuity of business operations, financial flexibility, or debt repayment capability.

Principles 7.3 In the event of financial difficulties or anticipated financial challenges, the board will ensure that the company has a plan to address the problems or alternative mechanisms to resolve the financial issues. This will be done while considering the rights of stakeholders and the feasibility of the proposed solutions.

Principles 7.4 The board will consider preparing sustainability reports as appropriate, disclosing information on legal compliance, ethical practices, anti-corruption policies, treatment of employees and stakeholders, fair practices, and respect for human rights, as well as responsibility towards society and the environment. This information may be disclosed in the annual report or may be compiled separately as deemed appropriate.

Principles 7.5 The board will oversee that the management establishes units or assigns responsibilities to investor relations teams tasked with communicating with shareholders and other stakeholders, such as investors and analysts, in an appropriate, equitable, and timely manner. This will be supported by communication and disclosure policies to ensure that external communication and information disclosure are conducted appropriately, equitably, and in a timely manner, using suitable channels, protecting confidential information and market-sensitive data, and ensuring consistent understanding and implementation of these policies throughout the organization.

Principles 7.6 The board will promote the use of information technology for disseminating information, in addition to meeting regulatory requirements and using the channels of the stock market. The board will ensure that the company regularly discloses information in both Thai and English through other channels, such as the company's website. This will be done consistently, providing current information. The following information will be disclosed on the company's website:

1. Company vision and Core Values.
2. Nature of the company's business.
3. List of the board of directors and executives.
4. Financial statements and reports on financial status and performance for the current and previous years.
5. Form 56-1 and annual reports available for download.
6. Other information or documents presented to analysts, fund managers, or the media.
7. Shareholding structure, including direct and indirect holdings.
8. The structure of the company group may include: Subsidiary Companies, Joint Venture Companies, Associate Companies: special purpose enterprises/ vehicles (SPEs/SPVs)
9. Shareholders holding at least 5% of the total outstanding shares with voting rights.
10. Shareholdings of directors, major shareholders top management.
11. Notices of ordinary and extraordinary general meetings sent to shareholders.
12. Company regulations and articles of association.
13. Company governance policy, anti-corruption policy, information technology security policy, and risk management policy.
14. Charter or responsibilities, qualifications, and tenure of the board of directors, including matters requiring board approval and terms of service of the audit committee.
15. Business ethics.
16. Contact information for the investor relations unit, company secretary, such as names, phone numbers, and email addresses.

Principles 8

Ensure Engagement and Communication with Shareholders

Principles 8.1 The board of directors will ensure that shareholders have a say in important company matters, as follows:

- 8.1.1 The board will oversee that significant issues, both those mandated by law and those that may impact the company's operations, must be considered and/or approved by shareholders. Such significant matters will be included as agenda items for shareholder meetings.
- 8.1.2 The board will support shareholder participation by:
 - (1) Establishing criteria for minority shareholders to propose agenda items in advance of shareholder meetings. The board will consider including agenda items proposed by minority shareholders for the meeting. If the board rejects a proposed agenda item, reasons will be communicated to shareholders at the meeting.
 - (2) Establishing criteria for minority shareholders to nominate individuals for board positions. The board will ensure that criteria for such nominations are disclosed to shareholders in advance.
- 8.1.3 The board will ensure that shareholder meeting notices contain accurate, complete, and sufficient information for shareholders to exercise their rights.
- 8.1.4 The board will ensure that meeting notices and related documents are sent to shareholders and published on the company's website at least 14 days before the meeting.
- 8.1.5 The board will provide shareholders with the opportunity to submit questions in advance of the meeting, with criteria for submitting questions published on the company's website.
- 8.1.6 Shareholder meeting notices and related documents will be prepared in both English and Thai and published simultaneously, including the following information:
 - (1) Date, time, and location of the shareholder meeting.
 - (2) Meeting agenda, specifying whether it's for information or approval purposes, and clearly delineating each agenda item. For instance, under the agenda item concerning the board, topics such as board member elections and approval of board remuneration should be distinct items.
 - (3) Objectives, reasons, and the board's opinion on each meeting agenda item proposed, including:
 - a. Dividend approval agenda item – Dividend payment policy, proposed dividend rate, reasons, and supporting information. In case of proposed dividend suspension, reasons and supporting information should be provided.

- b. Board member appointment agenda item – Names, ages, educational and professional backgrounds of nominees, number of registered and non-registered companies held positions, selection criteria, types of proposed board members, and, in the case of re-nominating previous board members, information on their previous participation in meetings and the date of their appointment as company directors.
 - c. Approval of board remuneration agenda item – Policies and criteria for determining remuneration for each board position, including all forms of compensation, monetary and otherwise.
 - d. Appointment of auditors agenda item – Auditor names, affiliated firms, work experience, auditor independence, audit fees, and other service charges.
- 8.2.1 The board of directors shall schedule the date, time, and location of the meeting, considering the convenience of shareholder participation, such as suitable meeting times and convenient venues for travel.
- 8.2.2 The board of directors shall ensure that no actions are taken to limit shareholder attendance or create undue burdens, such as not requiring shareholders or proxies to present documents or evidence beyond what is specified in the relevant regulatory guidelines.
- 8.2.3 The board of directors shall promote the use of technology for shareholder meetings, including registration, vote counting, and result presentation, to ensure that meeting operations are conducted quickly, accurately, and efficiently.
- 8.2.4 The chairman of the board shall preside over the shareholder meeting, ensuring that the meeting complies with laws, relevant regulations, and company policies. They shall allocate appropriate time for each agenda item as specified in the meeting notice and provide opportunities for shareholders to express their opinions and ask questions on relevant company matters.
- 8.2.5 To enable shareholders to make informed decisions on important matters, directors, in their capacity as meeting participants and shareholders, should not support the addition of meeting agenda items without prior notice, especially for critical items that require shareholder deliberation.
- 8.2.6 All directors and relevant executives should attend the meeting to allow shareholders to inquire about various relevant matters.

- 8.2.7 Before the meeting commences, shareholders should be informed of the number and proportion of shareholders attending in person and by proxy, voting procedures, and vote counting methods.
- 8.2.8 In cases where an agenda item consists of multiple items, the meeting chair may arrange separate votes for each item. For example, shareholders may vote individually for each nominee in the agenda item for board member appointments.
- 8.2.9 The board should support the use of ballot cards for important agenda items and promote the involvement of independent individuals as vote counters or auditors. The voting results indicating "for," "against," and "abstain" for each agenda item should be disclosed during the meeting and recorded in the meeting minutes.

Principles 8.3 The board of directors shall ensure that the resolutions of the shareholder meeting and the preparation of the shareholder meeting report are accurate and comprehensive. The company shall disclose the resolutions of the shareholder meeting along with the voting results within the next business day through the stock exchange's news system and on the company's website. Additionally, the shareholder meeting report shall be submitted to the stock exchange within 14 days from the date of the shareholder meeting. The shareholder meeting report shall include at least the following information:

- (1) List of directors and executives attending the meeting, including the proportion of directors present and absent.
- (2) Voting methods, vote counting procedures, resolutions passed at the meeting, and voting results (for, against, abstain) for each agenda item.
- (3) Questions raised and answers given during the meeting, including the names of questioners and respondents.

This requirement is effective from May 15, 2020, onwards.
Announced on May 15, 2020.



Mr. Chaiwat Utaiwan
Chairman of the Board of Directors

Securities and Exchange Act B.E. 2535

Division 2

Duty And Responsibility Of Director And Executive

SECTION 89/7 In conducting the business of the company, a director and an executive shall perform his duty with responsibility, due care and loyalty, and shall comply with all laws, the objectives, the articles of association of the company, the resolutions of the board of directors and the resolutions of the shareholders' meeting.

SECTION 89/8 In performing duty with responsibility and due care, a director and an executive shall act in the similar manner as an ordinary person undertaking the like business under the similar circumstance. Any matter proven by the director or executive that, at the time of considering such matter, his decision has met the following requirements shall be deemed that the said director or executive has performed his duty with responsibility and due care under the first paragraph:

- (1) decision has been made with honest belief and reasonable ground that it is for the best interest of the company
- (2) decision has been made in reliance of information honestly believed to be sufficient; and
- (3) decision has been made without his interest, whether directly or indirectly, in such matter.

SECTION 89/9 In considering whether each director or executive has performed his duty with responsibility and due care, the following factors shall be taken into account :

- (1) position in the company held by such person at that time;
- (2) scope of responsibility in the position of such person in accordance with the laws or as assigned by the board of directors and;
- (3) qualification, knowledge, capability, and experience including purposes of appointment.

SECTION 89/10 In performing duty with loyalty, a director and an executive shall :

- (1) act in good faith for the best interest of the company;
- (2) act with proper purpose and;
- (3) not act in significant conflicts with the interest of the company.

Notice of The Board of Directors

No. 1/2563

Principles of ethics and business ethics

In order to comply with the resolution of the company's board of directors meeting No. 3/2020 on May 15, 2020, the company has issued an announcement regarding the principles of ethics and business ethics of the company to be adopted as guidelines and practices as follows:

1. Intro

Civil Engineering Public Company Limited and its subsidiaries ("the Company") believe that adhering to the principles of ethics and business ethics, which are fundamental in enhancing and elevating good corporate governance and being a crucial foundation for sustainable and enduring growth, is essential. Additionally, it supports the company in achieving its strategies and objectives. Therefore, the Company promotes conducting business operations and duties of the involved parties in accordance with the principles of ethics and business ethics of the Company.

2. Parties Responsible for Compliance

Those responsible for complying with the principles of ethics and business ethics include the Company, including directors, executives, employees, contractors, partners, as well as representatives or agents authorized to act on behalf of the Company or the aforementioned individuals.

3. Fundamental Principles

The fundamental principles of ethics and business ethics are:

- 3.1. Integrity, honesty, and accountability in carrying out duties.
- 3.2. Confidentiality and non-use of internal or confidential information for personal gain or unauthorized purposes.
- 3.3. Prevention or avoidance of actions that may lead to conflicts of interest.
- 3.4. Conducting oneself akin to professionals with knowledge, expertise, and vigilance.

4. Principles of Ethics and Business Ethics

The Company (including those responsible for compliance as stated in item 2) shall adhere steadfastly to the principles of ethics and business ethics as follows:

- 4.1. Honesty and Integrity
The Company upholds and maintains honesty and integrity as fundamental in conducting business.
- 4.2. Compliance with Laws and Regulations
The Company conducts its business in compliance with laws and regulations of relevant authorities and will not aid, promote, or support any activities or transactions that are illegal.
- 4.3. Use of Knowledge, Skills, and Expertise
The Company utilizes knowledge, skills, expertise, vigilance, and care in providing quality services to clients, akin to professional standards.
- 4.4. Good Management and Effective Internal Control
The Company establishes good management systems and effective risk management and internal control systems sufficient for its business operations.
- 4.5. Compliance with Operational Standards
The Company complies with various standards relevant to its business operations that are generally accepted.
- 4.6. Fair Treatment of Stakeholders
The Company values fair treatment of various stakeholders based on cooperation and mutual benefit, including:
 - (1) Treats clients, partners, or competitors with understanding and good cooperation.
 - (2) Provides quality services to clients with friendliness and supportiveness.
 - (3) Takes care of and preserves shareholder benefits.
 - (4) Supports employees in utilizing their potential, knowledge, and abilities in performing their duties and supports appropriate development of employee potential, knowledge, and abilities.
 - (5) The company will support social mission activities as appropriate opportunities arise, as well as participate in activities aimed at promoting public welfare, education, and advancing the progress of the nation.

4.7. Control and Management of Conflicts of Interest

The Company controls or prevents conflicts of interest that may arise or could arise concerning its business operations appropriately and will not seek any benefits that are illegal or violate the requirements of relevant authorities.

4.8. Maintenance of Confidentiality of Clients

The Company will keep, maintain, and safeguard confidential client information appropriately and will not disclose such information to others unless consent is obtained from the client or as required by law.

4.9. Communication of Service Information to Clients

The Company will communicate accurate information about its services to clients.

4.10. Maintaining Good Relations with Relevant Agencies

The Company will promote and maintain good relationships with relevant agencies regularly, such as cooperating appropriately with relevant agencies and following their recommendations.

4.11. Provision of Services and Performance of Duties

The Company monitors developments and changes, innovates to create satisfaction for clients, and invests in enhancing the ability to perform duties.

4.12. Maintaining a Good Reputation

The Company maintains a good reputation and refrains from actions that damage its reputation.

4.13. Personal Rights and External Activities

The Company respects the rights of individuals as required by law and promotes and supports participation in various external activities. These activities should:

- (1) Not negatively affect the Company's reputation and image.
- (2) Not obstruct or significantly interfere with the dedication of time or investment in the ability to perform duties.
- (3) Not violate the principles of ethics and business ethics of the Company.
- (4) Not cause conflicts of interest.
- (5) Not violate laws and good moral standards.

This version of the ethics and business ethics principles will be reviewed regularly, at least once a year, or when significant events occur, starting from May 15, 2020.

Announced on May 15, 2020



Chaiwat Utaiwan

Chairman of the Board

Attachment 6

Report of the Audit and Risk Management Committee

Presented in subject 8.2

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