



FORM 56-1

ONE REPORT 2022

รายงานประจำปี 2565

Board of Directors



(Standing, from left to right:)

Mr. Chaiwat Atsawintarakul
Independent Director,
Chairman of the Audit Committee,
Chairman of the Nomination
and Remuneration Committee

Mr. Somchai Sirilertpanich
Vice Chairman,
Director of Nomination
and Remuneration Committee,
Chief Executive Officer

Mr. Jiramote Phahusutr
Director,
Managing Director

(Seated, from left to right:)

Miss Benjawan Sinkuknakorn
Independent Director,
Director of the Audit Committee,
Director of the Nomination
and Remuneration Committee

Dr. Arichai Ractham
Independent Director,
Audit Committee,
Chairman of the Risk Management Committee,
Director of the Nomination and Remuneration Committee

Mr. Tavee Kullertprasert
Independent Director

Mr. Paisarn Tangyuenyong
Independent Director

Mrs. Angsana Munkongcharoen
Director,
Director of the Nomination and Remuneration Committee
Assistant Managing Director

PROFILE'S BOARD OF DIRECTORS



Mr. Somchai Sirilertpanich

Age 61 years old

Position - Acting Chairman, Vice Chairman,
- Director of Nomination and
Remuneration Committee
- Chief Executive Officer
- Managing Director and the
Authorized Signatory

Total 18 years (commencement date of
being the board of director
December 23rd, 2004)



Mr. Chaiwat Atsawintarakul

Age 71 years old

Position - Independent Director,
- Chairman of The Audit Committee
- Chairman of the Nomination and
Remuneration Committee

Total 19 years (commencement date of
being the board of director
October 30th, 2003)



Miss Benjawan Sinkuknakorn

Age 65 years old

Position - Independent Committee
- Audit Committee
- Director of the Nomination and Remuneration Committee

Total 19 years (commencement date of being the board of director November 14th, 2003)



Dr. Arichai Ractham

Age 56 years old

Position - Independent Director
- Director of the Audit Committee
- Director of the Nomination and Remuneration Committee
- Chairman of the Risk Management Committee

Total 14 years (commencement date of being the board of director May 15th, 2007)



Mr. Tavee Kullertprasert

Age 50 years old

Position Independent Director

Total 18 years (commencement date of being the board of director April 29th, 2004)



Mr. Paisarn Tangyuenyong

Age 58 years old

Position Independent Director

Total 5 years (commencement date of being the board of director June 30th, 2016)



Mr. Jiramote Phahusutr

Age 40 years old

Position - Director
- Managing Director and the
Authorized Signatory.
- Managing Director

Total 8 years (commencement date of
being the board of director April
29th, 2013)



Mrs. Angsana Munkongcharoen

Age 72 years old

Position - Director of the Nomination and
Remuneration Committee
- the Authorized Signatory
- Assistant Managing Director

Total 17 years (commencement date of
being the board of director
April 29th, 2004)

Financial Highlights

Significant financial ratios reflecting the financial position and operating results of the core businesses of the Company and its subsidiaries

Financial Information

Company Financial Statements	Consolidated Financial Statements			Separated Financial Statements		
	2022	2021	2020	2022	2021	2020
Total Assets	9,755.62	9,865.50	10,603.90	7,713.08	7,709.14	8,305.12
Total Liabilities	3,938.05	3,715.16	4,437.25	1,859.54	1,641.13	2,362.88
Total Shareholders' Equity	5,817.57	6,150.34	6,166.65	5,853.54	6,068.01	5,942.25
Revenue from construction	4,708.72	4,964.54	7,623.87	4,708.72	4,964.54	7,623.87
Revenue from Accommodation Service	397.06	270.21	308.17	51.59	25.36	40.58
Total Revenue	5,156.30	5,313.90	7,988.12	4,805.11	5,066.18	7,706.22
Gross Profit	63.02	512.49	598.33	(3.72)	527.24	594.38
Net Profit (Loss)	(408.80)	63.92	183.79	(273.39)	247.02	353.13
Earnings per Share	(0.23)	0.08	0.15	(0.17)	0.16	0.22



Financial Ratios

Financial Ratios	Consolidated Financial Statements			Separated Financial Statements		
	2022	2021	2020	2022	2021	2020
Liquidity Ratio						
Current Ratio (times)	2.44	2.95	1.94	2.77	3.43	2.16
Quick Ratio (times)	1.53	1.80	1.40	1.67	2.02	1.52
Cash flow liquidity ratio (times)	0.14	0.12	0.17	0.08	0.10	0.51
Account Receivable Turnover (times)	6.92	5.91	7.54	6.31	5.69	7.36
Average Collection Period (Days)	52.73	61.78	48.38	57.82	64.15	49.58
Inventory Turnover (times)	44.42	42.21	61.19	42.26	40.11	59.24
Average Inventory Days (Days)	8.22	8.65	5.97	8.64	9.10	6.16
Account Payment Turnover (times)	21.26	13.13	13.59	15.41	12.98	18.79
Average Payment Period (Days)	17.17	27.81	26.85	23.69	28.11	19.42
Cash Cycle (Days)	43.78	42.62	27.49	42.77	45.14	36.32
Profitability Ratio						
Gross Profit Margin (%)	1.23	9.79	8.90	(0.08)	10.57	9.16
Operating Profit Margin (%)	(8.02)	2.29	3.07	(5.72)	6.08	5.34
Net Profit Margin (%)	(7.93)	1.20	2.30	(5.69)	4.88	4.58
Return on Equity (%)	(7.50)	1.14	3.27	(4.59)	4.11	5.98
Efficiency Ratio						
Return on Assets (%)	(4.17)	0.62	1.76	(3.55)	3.09	4.34
Return on Fixed Assets (%)	(2.40)	12.06	16.92	(23.02)	70.33	84.75
Total Assets Turnover (times)	0.49	0.51	0.77	0.62	0.63	0.95
Leverage Ratio						
Debt to Equity (times)	0.68	0.60	0.72	0.32	0.27	0.40
Interest coverage ratio (time)	3.18	2.94	13.01	16.65	17.27	90.56
Debt Service Coverage ratio (time)	(0.01)	0.35	0.44	-	-	-
Dividend Payout ratio (%)	(0.12)	1.99	0.69	(0.17)	0.52	0.36
Share per Data						
Book value per share (Baht)	3.66	3.87	3.88	3.68	3.81	3.74
Profit (loss) per partner of the parent company (Baht)	(0.26)	0.04	0.12	(0.17)	0.16	0.22

The Calculation Formula of Financial Ratios

Liquidity Ratio			
Liquidity Ratio	Current Assets	Inventory Turnover (times)	Cost of Sales + Selling Expenses
	Current Liabilities		Average Inventory
Quick Ratio (Times)	Cash + Current Investment+Net Receivables	Account Payment Turnover (times)	Cost of Sales + Selling Expenses
	Total Current Liabilities		Average Accounts Payable
Account Receivable Turnover (times)	Net Sales	Average Inventory Days (days)	365
	Average Gross Account Receivables	Inventory Turnover (times)	
Average Collection Period (Days)	365	Average Payment Period (days)	365
	Account Receivable Turnover (times)	Account Payment Turnover (times)	
Cash Cycle (days)	Collection Period+Average Inventory Day Average Payment Period		

Profitability Ratios			
Gross Profit Margin (%)	Revenue - cost	Net Profit Margin (%)	Net Profit (Loss)
	Revenue		Total Revenue
Operating Profit Margin (%)	Earnings before Tax	Return on Equity (%)	Net Profit (Loss)
	Revenue		Total Return on Equity

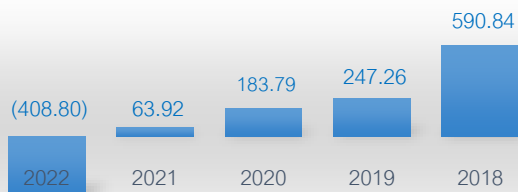
Efficiency Ratio			
Return on Assets (%)	Net Profit	Return on Fixed Assets (%)	Net Profit + Depreciation + Amortization
	Total Assets (Average)		Property, plant and equipment (Average)
Total Assets Turnover (times)		Total Revenue / Total Assets (Average)	

Leverage Ratio			
Debt Ratio (times)	Total Liabilities	Debt to Equity (times)	Total Liabilities
	Total Assets		Total shareholders' equity

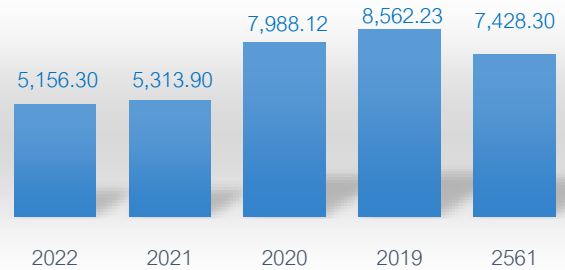
Interest coverage ratio (times)		Cash Flows from Operating Activities / interest	
---------------------------------	--	---	--

Financial outstanding comparing 5 years (Consolidated financial statements)

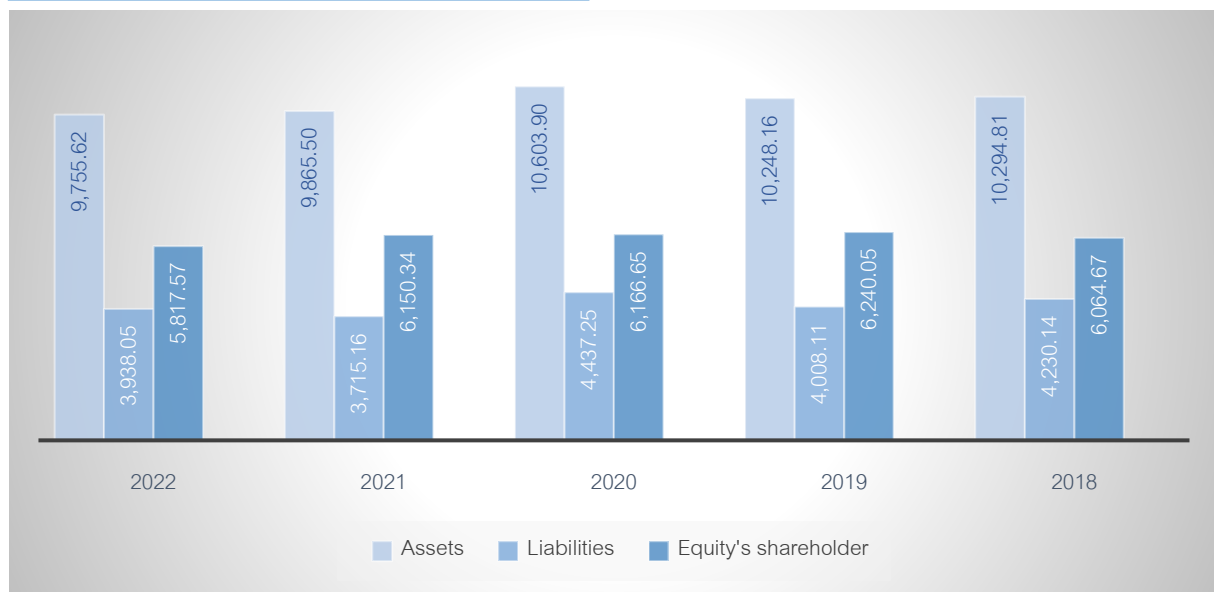
Net profit (million baht)



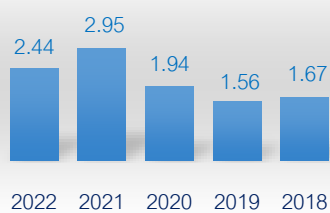
Total revenue (million baht)



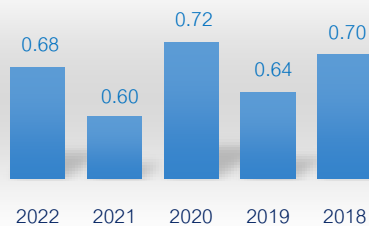
Statement of financial position (million baht)



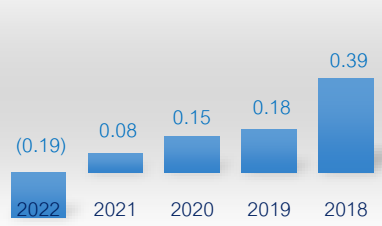
Liquidity Ratio (Times)



Debt to Equity ratio (Times)



Primary Earning per share (Baht)



Content

Section 1 Business Operation and Performance

1. Structure and Business Operation of Syntec	1-48
2. Risk Management	49-57
3. Driving Business for sustainability	58-125
4. Management Discussion and Analysis: MD&A	126-138
5. General Information and other Important Information	139-144

Section 2 Corporate Governance

6. Corporate Governance	145-160
7. Governance Structure and Key Data on the Board of Directors, Sub-Committees, Management, Employees and others	161-182
8. Corporate Governance Milestones	183-203
9. Internal Control and Related Transaction	204-213

Section 3 Financial Report

Section 4 Attachment

Attachment1	Information of the Board of Directors , Executives, Chief Financial Officer, Controlling Persons and Company Secretary
Attachment2	Details of Directors of Subsidiaries
Attachment3	Details Internal Audit Supervisor and Head of Compliance
Attachment4	Details about the property appraisal list
Attachment5	The full version of the corporate governance policy and practice and the full code of business ethics.
Attachment6	Report of the Audit Committee
Attachment7	Report of the Board Committee

1

การประกอบธุรกิจ
และผลการดำเนินงาน

Business Operation
and Performance

1.) โครงสร้างและการดำเนินงาน ของกลุ่มบริษัท

Structure and Business Operation of Syntec

1) Group structure and operation

1.1) Policy and Business Overview

General Information

Syntec Construction Public Company Limited (“the Company”), formerly known as Siam Syntechs Construction Public Company Limited, was registered as a registered juristic person in Thailand on December 22nd, 1988. Then, it was registered as a public company limited on October 14th, 1992, and listed on the Stock Exchange of Thailand on February 12th, 1993. The registered address of its head office is 555/7-11 Soi Sukhumvit 63 (Ekkamai), Sukhumvit Road, Khlong Tan Nuea Sub district, Wattana District, Bangkok 10110, and its branch office is located at 61 Soi Lang Suan, Ploenchit Road, Lumpini Sub district, Pathumwan District, Bangkok 10330, principally engaged in construction contracting and real estate development business for room service or serviced apartments.

The Company's main business operation maintains its full-service construction business, including accepting construction works from public agencies and the private sector. It provides services from the beginning to the completion of construction in a manner known as “One-Stop Service” which includes preparatory work, piling work, foundation work, soil erosion protection work, structure work, architecture work, architectural work, landscape architectural work, and system engineerings such as electrical system work, mechanical system work, sanitation work, elevator system work, air conditioning system work, and various automation systems in the building.

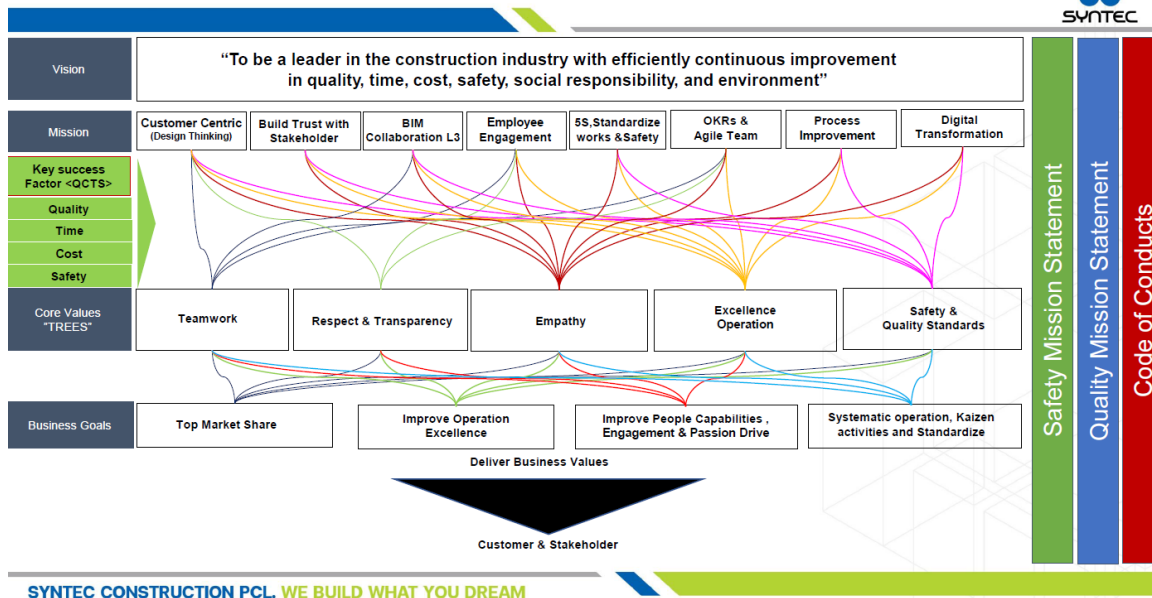
The Company's construction contracts are carried out in accordance with the appropriate procedures in the case where an employer is a public agency, state enterprise, or private sector, which will determine the bidding algorithm, a time frame for implementation, and different construction conditions. If the Company has been selected through price negotiation and specified construction conditions that satisfy all parties, it is finally commissioned for such construction.

Generally, the Company is a primary contractor for construction unless it is a large project that requires specialized construction expertise, where the Company may consider participating in joint ventures with other companies. This creates the exchange of working techniques, learning and transferring new technologies, knowledge in various fields, promoting innovation development, thus expanding the Company's working potential to open up an opportunity to participate in large project auctions in both public and private sectors in the future.

In terms of construction labor, the Company has its own daily workers and some workers are from subcontractors that are properly registered with the Company and meet the criteria set by the Company. The advantage in this respect is that the number of workers needed for each period can be set appropriately, which also brings effective cost control.

1.1.1) Vision, mission, culture, values, and strategy of the Company's operations

Syntec Business Strategies



The Company is determined to be a contractor with expertise in all types of building construction and works for a comprehensive construction through its construction operations with the highest safety under the long-term goal by 2025, "The Company will be in the top 5 of the construction industry listed on the Stock Exchange of Thailand", while the short-term goal by 2021-2023, "The Company will have a minimum of 30 projects per year."

Vision

To be a leader in the construction industry with efficiently continuous improvement in quality, time, cost, safety, social responsibility, and environment.

Mission

- 1) To be ranked in the top 5 leading high-rise construction companies in Thailand.
- 2) "One Stop Service" provides comprehensive construction services including piling work, structural work, and system work.
- 3) "Smart Employee" creates and develops quality personnel ready for change with the principle of RUR as follows:
 - R: Reskill, creating new skills necessary to work in accordance with the needs of the organization.
 - U: Upskill, upgrading existing skills to be better to support future growth; and
 - R: Relearn, continuous learning to find new knowledge to replace old knowledge
- 4) "Happy Work Place & Life" takes care of employees to work happily in an organization equipped with a workplace that can inspire creativity, creativity, and a career path that responds to passion in the work of each individual employee.
- 5) "SYNTEC Standard" creates jobs with the same level of standards throughout the organization.

6) "Agile Model-Driven Development" improves work processes for higher efficiency and reduces unnecessary work processes for increased flexibility in work.

7) "Cost Control" reduces company costs with technology and improves work processes.

8) "Digital Transformation" adapts itself to the digital age with technology to make work easier, more convenient, and more efficient.

Business Strategy

The Company has set a strategy for its intensive business operations with a strategy to restructure its internal management focusing on human resource management and information system management to be more effective in order to increase the Company's competitiveness as follows:

1) Quality, focusing on the correct construction according to professional principles, providing comprehensive service, and creating quality work along with safety for operators with modern technology and promoting innovation in all aspects of work;

2) Time, ensuring that the clients will receive the work delivered on time. and as specified in the construction contract in its entirety;

3) Expenses, by properly managing project costs and construction costs according to the planned so that clients can compete in the business; and

4) Social and Environmental Responsibility, operating with good corporate governance principles Encourage all employees to comply with the Code of Conduct and together to protect the environment especially by taking care of the environmental impact on the community, society, and residents around the construction area at least.

Corporate Values and Culture

For a long time, the Company has established and implemented a strong corporate culture, like constructing a tall structure where the most essential thing is to lay a solid foundation. In terms of business culture, when practiced and handed down from generation to generation, it may forge employees to unite together to develop and overcome hurdles in order to maximize work efficiency and effectiveness. In 2022, the Company established Syntec Core Values & Culture: Trees as a guideline for employees to adhere to, consisting of 5 items:

1. **Teamwork (Creative Teamwork)** implies that we are a team that works together and supports each other, that we utilize the power of the diverse people within the team, that we use each individual's skills and knowledge to create results to achieve the organization's goals, that we feel connected, that we are proud to be a part of the organization, that we feel a sense of belonging, and that we are fully engaged to deliver commitment and quality work.



2. **Respect & Transparency (Work with Trust, Confidence and Transparency)** means respecting, valuing, and caring for basic human rights, understanding each person's diversity of thought, demonstrating mutual respect, communicating with an understanding of each diversity, including expressing opinions directly, clearly, openly, and honestly, performing duties with ethical responsibility, regularly checking the work, but not disclosing the organization's confidential information to competitors' businesses.

3. **Empathy (Caring for and understanding one another)** means understanding and sharing the same emotions and feelings as others through empathizing with their emotions and feelings. How would we feel and be mindful of the requirements of our stakeholders if we were in the same circumstance.

4. **Excellence Operation (Strive towards job excellence)** means focusing on organizational excellence by developing more efficient, systematic work processes that allow employees to work smoothly and clearly in their responsibilities and where improvements are needed, improving work processes, staying up to date, and having a conceptual framework to solve problems that will arise in order to strive for operational excellence and add value to the organization.

5. **Safety & Quality First (Taking safety and quality standards into consideration)** means operating with safety and quality as the first priority, striving to build a safety culture, continuously improving safety processes, providing a safe and healthy workplace, including taking into consideration the quality of work to gain confidence in customers and all stakeholders, creating quality work standards by controlling the quality of work processes in every job to create a competitive edge in competition.

1.1.2) Major Changes and Developments

During the past 3 years, the Company has undergone significant changes and developments. The sequence of events and important issues are as follows:

- 2019**
- March 11, the Board of Directors' meeting resolved to approve the proportional increase in registered capital in CSM Capital Company Limited (subsidiary) from the original registered capital of 1,100,000,000 baht, 11,000,000 shares, 100 baht per share, an additional 75,000,000 baht, 750,000 shares, to 1,175,000,000 baht, 11,750,000 shares, of which the Company holds 60.00%, representing a total investment value of 705,000,000 baht, 7,050,000 shares.
 - May 13, the Board of Directors' meeting resolved to establish a subsidiary, AN 8 Company Limited (subsidiary) to support business expansion and increase revenue from room service in Krabi, with a registered capital of 100,000 baht, 1,000 shares, 100 baht per share, of which the Company holds 70.00%, representing a total investment value of 70,000 baht, 700 shares.
 - June 5, the Board of Directors' meeting resolved to approve the change in shareholding of AN 8 Company Limited (subsidiary). Previously, the Company held 70.00% or equivalent to an investment value of 70,000 baht, 700 shares, an additional 9.90% or equivalent to an investment value of 9,900 baht, 99 shares, of which the Company holds 79.90%, representing a total investment value of 79,900 baht, 799 shares.

- August 9, the Board of Directors' meeting resolved to approve the proportional increase in registered capital in AN 8 Company Limited (subsidiary) from the original registered capital of 100,000 baht for 1,000 shares 100 baht per share, an additional 129,900,000 baht for 1,299,000 shares to 130,000,000 baht for 1,300,000 shares, of which the Company holds 79.90%, representing a total investment value of 103,870,000 baht, 1,038,700 shares
- September 27, the Board of Directors' meeting resolved to establish a subsidiary, SHG Management Company Limited (subsidiary) to manage hotel business and service business with a registered capital of 4,000,000 baht, 40,000 shares, 100 baht per share, of which the Company holds 70.00% , representing a total investment value of 2,800,000 baht, 28,000 shares
- September 27, the Board of Directors' meeting resolved to approve the proportional increase in registered capital in PT Tree Land Company Limited (subsidiary) from the original registered capital of 1,000,000 baht, 10,000 shares, 100 baht per share, an additional 119,000,000 baht, 1,190,000 shares to 120,000,000 baht, 1,200,000 shares, of which the Company holds 79.98% , representing a total investment value of 95,976,000 baht, 959,760 shares.

2020

- January 20, the Board of Directors' meeting resolved to approve the proportional increase of registered capital in JT Ten Company Limited (subsidiary) from the original registered capital of 100,000,000 baht, 1,000,000 shares, 100 baht per share, an additional 40,000,000 baht, 400,000 shares to 140,000,000 baht, 1,400,000 shares, of which the Company holds 84.98% , representing a total investment value of 118,972,000 baht, 1,189,720 shares.
- February 1, the Board of Directors' meeting resolved to appoint the Company's top executives as follows: Ms. Saengduen Sonbalee to be the Chief Financial Officer and Accountant and Ms. Nuchanat Siri Supanimit to hold the position of a supervisory accountant.
- April 15, the Board of Directors' meeting resolved to approve the proportional increase in registered capital in CSM Capital Company Limited (subsidiary) from the original registered capital of 1,175,000,000 baht, 11,750,000 shares, 100 baht per share, an additional 50,000,000 baht, 500,000 shares, to 1,225,000,000 baht, 12,250,000 shares, of which the Company holds 60.00% , representing a total investment value of 735,000,000 baht, 7,350,000 shares.
- July 13, the Board of Directors' meeting resolved to establish a subsidiary, namely Delta Infra One Company Limited (subsidiary) to provide consulting services, procurement, procurement, installation of sanitation systems, electrical systems, water supply systems, and air conditioning systems, with a registered capital of 4,000,000 baht, 40,000 shares, 100 baht per share, of which the Company holds 90.00% , representing a total investment value of 3,599,800 baht, 35,998 shares
- September 28, the Board of Directors' meeting resolved to approve the proportional increase in registered capital in SHG Management Company Limited (a subsidiary) from the original registered capital of 4,000,000 baht, 40,000 shares, 100 baht per share, an additional amount of 5,000,000 baht,

50,000 shares to 9,000,000 baht, 90,000 shares, of which the Company holds 70.00%, representing a total investment value of 6,300,000 baht, 63,000 shares.

2021 - March 15, the Board of Directors' meeting resolved to approve the proportional increase in registered capital in CSM Capital Company Limited (subsidiary) from the original registered capital of 1,225,000,000 baht, 12,250,000 shares, 100 baht per share, an additional 100,000,000 baht, 1,000,000 shares, to 1,325,000,000 baht, 13,250,000 shares, of which the Company holds 60.00%, representing a total investment value of 795,000,000 baht, 7,950,000 shares.

2022 - April 18: The Board of Directors' meeting resolved to approve the proportional capital increase in CSM Capital Co., Ltd. (Subsidiary company) from the initial registered capital of 1,325,000,000 Baht in the amount of 13,250,000 shares with a par value of 100 baht per share, an additional 35,000,000 Baht in the amount of 350,000 shares is 1,360,000,00 Baht in the amount of 13,600,000 shares, in which the Company holds 60.0 percent of the total investment, or the total investment value is 816,000,000 Baht in the amount of 8,160,000 shares.

- June 29: The Board of Directors resolved to approve the reduction of Syntec Construction Public Company Limited's registered capital and paid-up capital from the initial registered capital of 1,600,000,000 Baht, accounting for 1,600,000,000 shares with a value of 1 baht per share, by decreasing 9,042,700 baht in the amount of 9,042,700 shares, for a total registered capital value of 1,590,957,300 Baht, accounting for 1,590,957,300 shares.

- September 19: The Board of Directors resolved to approve the sale of leasehold rights to residential buildings of The Duchess Hotel and its subsidiaries, as well as leasehold rights to land and residential buildings of The Duchess Hotel from the Crown Property Bureau (CPB), which currently has a lease period of 12 years remaining. The Duchess Hotel is a 28-story serviced apartment with 166 rooms and 21,507 square meters, locating on Lang Suan Road in Bangkok, as well as Natural Ville Management Co., Ltd. ("Subsidiary Company ") is a company that manages employees for hotels, service apartments, and other real estate. It is now in charge of the leasehold rights management of the Duchess Hotel's residential structures, which are worth 200,000,000 baht.

- October 17: The Board of Directors resolved to notify the Company secretary, Ms. Rattapawee Lapnan, of her resignation as a consultant, effective 30 November.

1.1.3) Fundraising Spending

As of 2021, the company “has not” raised any type of fund.



1.2) Business Description

1.2.1) Revenue Instruction

Income structure table separate companies & subsidiaries according to the consolidated financial statements for the past 3 years.

(Unit rate : MB)

Company	% Shareholding Ratio	2022		2021		2020	
		Amount	%	Amount	%	Amount	%
1. Syntec Construction PCL.		4,797.46	93.05	5,056.62	95.16	7,698.56	96.38
2. Subsidiaries							
- SCR Asset Management Co., Ltd.	68.00	94.52	1.83	81.19	1.53	77.96	0.98
- Natural Ville Service Apartment and Management Co., Ltd.	99.97	1.62	0.03	1.25	0.02	0.19	-
- CSM Capital Partners Co., Ltd.	60.00	260.50	5.05	170.39	3.21	209.09	2.62
- PT3 Land Co., Ltd.	79.98	-	-	-	-	0.01	-
- JT10 Co., Ltd.	84.98	0.08	-	0.02	-	0.03	-
- AN8 Co., Ltd	79.90	0.02	-	3.18	0.06	0.20	-
- SHG Managemnet Co., Ltd	70.00	2.10	0.04	1.24	0.02	2.08	0.02
- DELTA Infra One Co., Ltd	90.00	-	-	0.01	-	-	-
Total		5,156.30	100.00	5,313.90	100.00	7,988.12	100.00

From the income structure table, separate companies and subsidiaries, it will be found that the total income of the company is much higher than that of its subsidiaries. It shows that the company is still committed to operating the business in the core business direction. The income from subsidiaries has continued to grow. Promote financial strength and build stability with stable income for the company in the future.

Income structure table Classified by account type according to the consolidated financial statements for the past 3 years

(Unit rate : MB)

Business Group	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
1. Revenue from Construction	4,708.72	91.32	4,964.54	93.43	7,623.87	95.44
2. Revenue from services	397.06	7.70	270.21	5.08	308.17	3.86
3. Gain from selling and disposing of assets	4.70	0.09	3.84	0.07	1.69	0.02
4. Other						
- Interest Income	0.55	0.01	0.95	0.02	5.40	0.07
- Reverse of estimated allowance for Litigation	4.76	0.09	-	-	-	-
- Other Revenues	40.51	0.79	74.36	1.40	48.99	0.61
Total	5,156.30	100.00	5,313.90	100.00	7,988.12	100.00

From the table showing the income structure Classified by business group, it is found that revenue from construction is the main business of the company. The business of real estate development for rent has started to grow steadily. According to a strategic plan that focuses on expanding other businesses involved in a way to grow forward. Create sustainability for the organization and it works well in parallel with the core business plan, although in 2022 it may be partially affected by the Covid-19 situation.

Construction business revenue structure table according to the consolidated financial statements for the past 3 years

(Unit rate : MB)

ประเภทของงานก่อสร้าง	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Revenue from direct contractor						
- Residentail Buildings	2,099.56	40.72	2,767.86	52.09	4,442.97	55.62
- Office/Commercial Buildings	1,745.03	33.84	127.65	2.40	505.17	6.32
- Hotel & Resort	341.29	6.62	781.91	14.71	484.81	6.07
- Hospitals	327.46	6.35	457.82	8.62	1,061.12	13.28
- Shopping Center /Supermarket/Shopping Mall	189.62	3.68	627.88	11.82	693.80	8.69
- Factories	5.76	0.11	201.42	3.79	345.17	3.86
- Institutions	-	-	-	-	90.59	1.13
Revenue from Construction	4,708.72	91.32	4,964.54	93.43	7,623.87	95.44

From the table showing the structure of the business according to the consolidated financial statements for the past 3 years, it can be found that the income from construction of residential buildings or condominiums is still a much higher proportion of income than other types of construction. Hotel, resort, Shopping Mall,

institutions, factories, Office Building and Commercial buildings, respectively, show that the company always continues to be the leader in high-rise building trusted by project owners.

Type of construction	2022		2021		2020	
	Value	%	Value	%	Value	%
Private sector	3,573.48	75.89	4,964.54	100.00	7,545.87	98.98
Public sector	1,135.24	24.11	-	-	78.00	1.02
Total	4,708.72	100.00	4,964.54	100.00	7,623.87	100.00

From the table of revenue structure of construction business, sources of revenue for the past 3 years, it is found that the Company's construction revenue is mainly from private sector work. In 2022, the revenue comes from public sector ratio 24.11% or equivalent to 1,135.24 million baht which the Company aims to operate the construction business from both private and public sector work according to the mentioned in topic no. 1.1 Policy and Business Overview.

Total revenue came from both private and public sector work, corresponding to the type of construction in which the Company mainly accepts for residential construction. The projects of this type take approximately 2-3 years to complete the construction.



1.2.2) Product Description

The Company is divided into 4 types of products or services as follows:

1) **Room service business (Hotel & Resort)**, the Company's accommodation business, which is considered a secondary activity, keeps a stable revenue proportion. The hotel industry is related to the tourism sector; however, the hotel industry has been severely impacted by the COVID-19 epidemic. The selling of rooms generates the majority of the income for the hotel industry.

The hotel business continues to improve in the first 9 months of 2022, with 5.7 million foreign tourists compared to just 85,845 in the same period last year. The main supporting factors are (1) the country's opening on 1 July, encouraging more foreign tourists to visit Thailand, and (2) the country of origin gradually allowing tourists to leave the country, with 970,000 Malaysian tourists visiting Thailand the most (from 1,474 people during the same period in 2021), accounting for 17.1% of all foreign tourists. Thai tourists made 103 million domestic travels (+274.2% YoY), whereas Chinese and Russian tourists accounted for just 2.6% and 1.8%, respectively. Economic activities have increased as a result of the government's relaxation of restrictions on COVID-19 control measures, in conjunction with the ongoing promotion of domestic travel, particularly the extension of the We

Travel Together Phase 4 project (July-October 2022), causing the average occupancy rate across the country to rise to 42.0%, up from 9.9% in the same period last year.

For the rest of the year, foreign tourists significantly increased due to (1) the alleviation of COVID-19 concerns, resulting in more international travel openings, and (2) the high season of tourism, while Thai tourists increased due to (1) ongoing measures to promote domestic tourism and (2) the alleviation of COVID-19 concerns. Nevertheless, escalating living costs due to inflation may reduce the capacity to spend and affect the anticipated purchasing power of vulnerable tourists throughout the year. By 2022, the number of foreign tourists has climbed by 2,318.6%, equal to 10.4 million persons, while the number of Thai people traveling in the country has increased by 135.7%, equal to 125 million trips, with an occupancy rate of 45%, up from 14.2% in 2021. In terms of the tourism outlook for 2023-2025, the hotel industry is predicted to recover at a rapid pace. The number of foreign tourists is expected to grow to over 42 million in 2025, comparable to the level before the COVID-19 crisis (2019), although Thai tourists are likely to recover quicker. It is predicted to recover to normal levels in 2024, with around 185 million visits resulting from continued steps to encourage domestic tourism, with significant hotel operators continuing to grow investment, but this may take longer than expected. The national occupancy rate is predicted to progressively rise from an average of 64% in 2023 to 68% in 2024, and to 71% in 2025, similar to the level before the crisis (2019). (Based on Krungsri Research)



Operations through various the Company and its subsidiaries can be classified by type of ownership as follows:

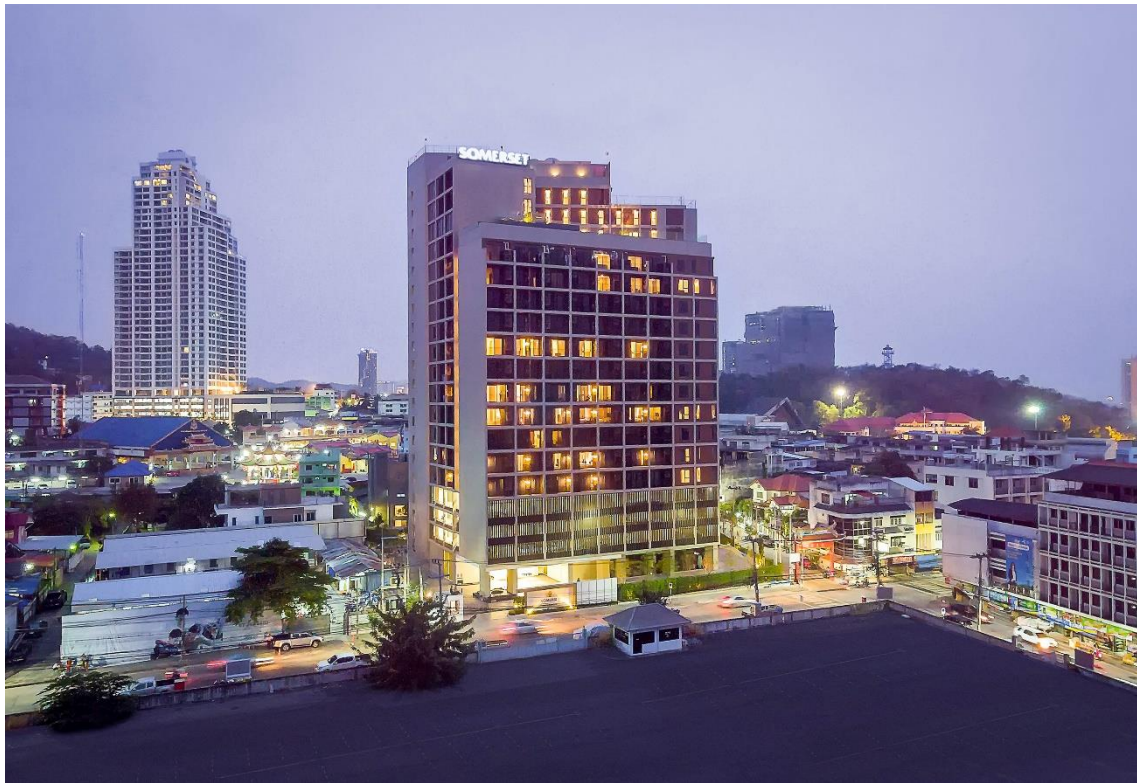
1.1) Developer operated by SCR Asset Management Company Limited (SCR Asset Management) currently has 2 projects in progress, 2 of which have been opened:



- Citadines Grand Central Sriracha is located at 99/9 Surasak 1 Road, Sriracha Subdistrict, Si Racha District, Chonburi Province. Opened in March 2015 onwards, it is an 8-storey hotel project with 136 rooms with a total area of 9,492 square meters, providing short-term and long-term rental services. which most of the clients are foreigners, especially Japanese people who work in industrial estates in Chonburi and Rayong provinces and stay for a long time and with the convenient location of the project, which is a great choice for tourists who come to Thailand as it is convenient to travel in various places. Guests will experience the best of Ascott International's hotel service standards. The hotels provide such as free Wi-Fi in all rooms and public areas (Free Wi-Fi), a 24-hour front desk, non-smoking rooms, parking, and airport transfers. Recreational facilities, such as a fitness room, sauna, and outdoor swimming pool, are fully provided.



In 2022, the Citadines Grand Central Sriracha project is targeting an average occupancy of 68%, with an average occupancy of 61%, a 7% lower than the estimate, but it is up 10% year-over-year and is projected to average 75% occupancy in 2022.



- Somerset Harbourview Sriracha, is located at 88 Surasak Sanguan Road, Sriracha Sub-district, Sriracha District, Chonburi Province, and is not far from the first project, which opened in January 2020 onwards. It is a 19-storey hotel project, consisting of 1 basement floor, with 176 rooms, a total area of 19,442 squaremeters, with a policy to provide short-term and long-term accommodation rental services. Most of the clients are foreigners, especially Japanese people working in industrial estates in Chonburi and Rayong. Sriracha District is the area with the largest industrial estates, ranked at the forefront of Thailand, and has many Japanese factories. This makes an area like Amphoe Si Racha one of the most Japanese in Thailand. It is estimated that at present there are about 10,000 people and it is likely to increase steadily. Guests will experience the best of Ascott International's hotel service standards. The hotels provide such as free Wi-Fi in all rooms and public areas (Free Wi-Fi), a 24-hour front desk, non-smoking rooms, parking and airport transfers, fitness room, sauna, outdoor swimming pool, etc.



In 2022, Somerset Harborview Sriracha projects an average occupancy of 71% with an average full-year occupancy rate of 52%, which is 19% lower than the target. 4% last year and expects an average occupancy rate in 2023 of 67%.



1.2) Developer operated by PT THREE Land Company Limited currently has 1 project in progress:



- X2 Vibe Phuket Patong Centre is located on Pracha Uthit 100 Pi Road, Sai 3, Patong Subdistrict, Kathu District, Phuket Province, about 300 meters from Jungceylon Department Store. It is an 8-storey hotel project with 326 rooms, a total area of 22,144 square meters, with a policy to provide short-term rental services. Most of the target clients are foreigners, especially Australians, Chinese, and Europeans who like to travel to the southern islands of Thailand, and the location of the hotel which is about 500 meters away from Patong beach, allows tourists to walk to the beach easily, and also near Soi Bangla, the famous nightlife attraction of Patong.

The hotel has various facilities equipped with free Wi-Fi in all rooms and common areas (Free Wi-Fi), a 24-hour front desk, non-smoking rooms, parking, common areas, and shuttle service to the airport, etc. There are also various recreational facilities such as a fitness room, sauna, park, and outdoor swimming pool.

In the first quarter of 2022, the hotel and tourism industry was still affected by the outbreak of the Omicron strain of the COVID-19 virus, which had been spreading continuously since October 2021, causing hotels in the main tourist provinces such as Bangkok, Pattaya, and Phuket to remain slow because they relied primarily on income from foreign tourists.



Although screening measures for foreign tourists were relaxed beginning in the second quarter, foreign tourists have not returned in large numbers, particularly Chinese tourists, which continue to face obstructions from the Zero-COVID policy, and the global economic situation has slowed due to the effects of the Russo-Ukrainian war, but the number of foreign tourists is expected to grow at an accelerated rate during 2023-2024. In the following 2-3 years, revenue is predicted to gradually recover due to increased travel demand from both Thai and foreign tourists, with an occupancy rate of about 65% - 70% (compared to 79% in 2019). As a consequence, development has been halted until the situation is assessed. Nonetheless, the project has been authorized by the Environmental Impact Assessment (EIA) procedure and a construction permit has been issued already.

1.3) Project developer (Developer) operated by JT Ten Company Limited (JT10) currently has 1 project in progress:



- The Standard Pattaya, Najomtien is located in Soi Na Jomtien 10, Na Jomtien Subdistrict, Bang Lamung District, Chonburi Province. It is a 6-storey hotel project with approximately 163 rooms, a total area of 25,000 square meters, with a policy to provide short-term rental services. Most of the target clients are Thai

people who have a lifestyle that likes to travel, Chinese and European families who want to relax on the beach and not far from Bangkok. The resort is located on the quiet beach of Pattaya - Na Jomtien. Clients who stay at the hotel can relax in the seaside atmosphere and shady pine trees over a hundred years old. The resort provides facilities such as free Wi-Fi in all rooms and public areas (Free Wi-Fi), public areas, a 24-hour front desk, non-smoking rooms, bedrooms with balconies, sea-view bedrooms, meeting rooms, conference rooms, and parking spaces, and shuttle services to the airport, etc. Recreational facilities such as fitness centers, saunas, spas, parks, restaurants, beach bars, and an outdoor swimming pool are also provided.



In the third quarter of 2022, the Company signed a letter of intent with Standard Asia Co., Ltd., where the Company selected The Standard brand to manage the Pattaya resort project, in which the Standard holds a majority stake by Sansiri Public Company Limited, a leading company in the Thai real estate development industry. The Sansiri Company has increased its investment in the hospitality industry by

acquiring 62% shares of The Standard International, a hotel operator under the Standard brand. It is considered that The Standard is a hotel brand that focuses on lifestyle, similar to the Sansiri brand, which leads lifestyle in the house and condo business to emphasize its leadership in the lifestyle more clearly, thus seeing that The Standard is a group that is strong in the leisure market, both Thais and foreigners who have a modern travel lifestyle, see an opportunity to invest in The Standard for long-term growth. The collaboration with Sansiri Group, one of Thailand's most well-known real estate companies, will assist the company succeed in expanding branches under The Standard brand from the 4th quarter of 2022, when the company attended a building project planning meeting with Standard Asia Co., Ltd. The building process is planned to commence in the 2nd quarter of 2023.

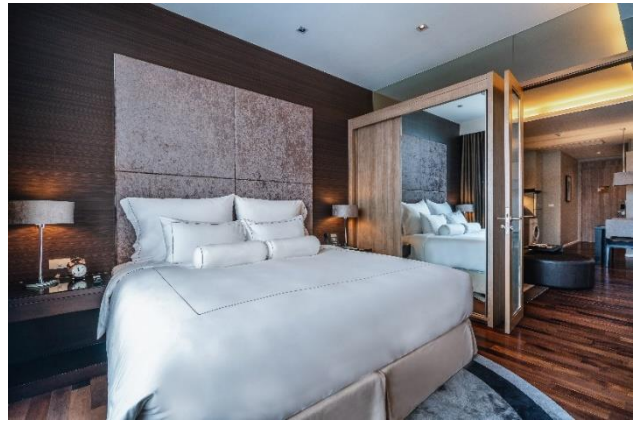


1.4) Freehold operated by CSM Capital Partners Company Limited (CSM Capital Partners) in the business of real estate development for rent. It is a freeholder of the condominium in the Eight Thonglor Residence Project on April 26th, 2016.



- The Eight Thonglor Residence project is located in the best location in Soi Sukhumvit 55 (Thonglor), Khlong Tan Nuea, Wattana, Bangkok. Bangkok's business district and luxury hangout area is a 15-story building with a mix of 47 retail spaces under the name Eight Thonglor, a lifestyle mall in the heart of Thonglor. It is another place for shopping and eating in the city. The mall has a variety of stores including restaurants, bars, cafes, Thai and international fashion designers, as well as yoga studios and beauty salons for both men and women, under the atmosphere of privacy, comfort, luxury, meeting the needs of clients of all ages and design of a 5-star hotel. There are 148 rooms, a total project area of 23,626 square meters, under the name of The akira Thonglor Bangkok with facilities including 24-hour reception, elevator, parking, 24-hour security, CCTV, free wireless internet in all rooms and public areas (Free Wi-Fi), outdoor swimming pool, fitness center, bar, lounge, restaurants, business centers, meeting rooms, nearby transportation, and parking. Guests will have a lifestyle where every convenience is just a few steps away, including a BTS Thonglor station within walking distance, shops, high-end restaurants, convenience stores, top department stores, hospitals, international schools, universities, museums, as well as nightlife.

In 2022, the hotel project part has achieved its business goals with average occupancy 75% met the budget. 20% increase from the previous year due to the situation of Covid-19 pandemic declined and government lifted up the restriction policy, with a 82% occupancy rate expected in 2023.



Although the average occupancy throughout the year is lower than the target set, when considering the average occupancy rate throughout the year, it can be seen that the occupancy rate is still quite moderate thanks to the advantages of the hotel that has services apartment-style rooms in many sizes to choose from, such as 1 - 3 bedrooms, has a sales and marketing policy that focuses on supporting long-term stays, both monthly and yearly (Long stay) of many foreign businessmen in Thonglor area especially the Japanese market and also meet the needs of family clients together with the promotion and marketing of short-stay rooms for the market of Thai and foreign clients in the country to stimulate tourism during the holidays and to promote from the government's domestic tourism stimulus measures such as the project "We travel together". It also takes advantage of every square inch of location with the development of an Italian-style restaurant named "Otto Italian Restaurant" which opened in October 2021 to generate revenue parallel to the rooms, accommodate its guests, and be a source of eating and drinking for tourists in the area.



In the year 2022, the Company modified its image strategy by formally rebranding the hotel name from The Akyra Thonglor Bangkok to MUU Bangkok on December 1st, 2022. Muu Bangkok Hotel seeks to make the experience of staying at a regular luxury hotel more welcoming, with the name "Muu" inspired by the term "Moo" in Thai, which means community, friends, and family, indicating willingness to welcome numerous groups of clients. The decor is contemporary, expressing elegance blended with warmth, fulfilling the core concept of the hotel that does not want to be merely a luxury hotel but wants to be a home for all visitors, and is still one of the hotels in the Group of Small Luxury Hotels of the Global Community (SLH).



As for the performance of the Eight Thonglor retail space project, despite facing the Delta variant of COVID-19, within the country from April onwards, causing Bangkok to close shopping malls (except supermarkets) from July until the end of September 2021 to control the epidemic and the project was directly affected by this as it had to announce the closure of the shopping center for 3 months, but still managed to maintain a good occupancy rate with the Company's policy to manage and develop rental space in retail projects efficiently to have leading stores that are in line with the lifestyle of the modern Thonglor. It is the center of the iconic Thonglor that is both modern, luxurious, and convenient where various shops within the project are all stores with the potential to rent space and good products and services that meet the needs of clients and market the rental space to attract more people to use the space, resulting in the rental price of the space to be higher. The good rental price will be a source of revenue for the rental area because the area is full of tenants.



In 2022, the project in the area of leasing retail space has managed to achieve its business goals, which set an average occupancy target of 97% but achieved an average occupancy rate of 95%, or 2% lower than the target. It is expected that in 2023, it will achieve a 97% occupancy rate.



1.5) Leaseholder operated by Natural Ville Management Company Limited operates personnel management business for hotel business service apartments and other real estate by managing the leasehold rights of land and building of the Duchess Hotel, which has been granted a leasehold for 19 years, 7 months, 17 days, having acquired the rights on October 15th, 2013, until May 31st, 2033



- The Duchess Hotel project, located in Soi Lang Suan, opened in October 2013. It is a 4-star hotel, 29 floors high, with 166 rooms, on an area of 21,507 square meters. It is famous for its spacious rooms, equipped with all necessary in-room amenities, peaceful and private atmosphere in the heart of the bustling business district, making it perfect for both short-term and long-term stays and every room comes with a beautiful city view. The hotel also offers various services for business travelers, such as an outdoor swimming pool, sauna, fitness center, restaurant, free Wi-Fi in all rooms and common areas, as well as a common area and event space with 55 square meters, tour/ticket reservations, concierge service, and free newspapers at the lobby, an airport shuttle (24 hours) at an additional charge, free parking inside the building. Thanks to this convenient location, clients can easily access various destinations such as shops, restaurants, shopping areas, and the entertainment district, or if they want to go to another point in Bangkok, there are various travel options by the nearest BTS station (Chidlom), which is only a 10-minute walk from the hotel.



In 2022, the Company considered selling the leasehold rights of the Duchess Hotel's residential buildings from the Crown Property Bureau (CPB), which the Company has a remaining lease term of 10 years and 8 months for Akara Hospitality Co., Ltd. in the amount of 200,000,000 baht, effective from October 1st, 2022 onwards, because the Company believes that if it continues to hold the leasehold right, there will be a risk of accumulated losses for at least another 2 years. Moreover, the tourist situation is expected to return to pre-Covid levels in 2025, and the Company remains to spend more in building renovations on leased property due to building deterioration after 9 years of operation in order to utilize the building for another 10 years until the lease expires.

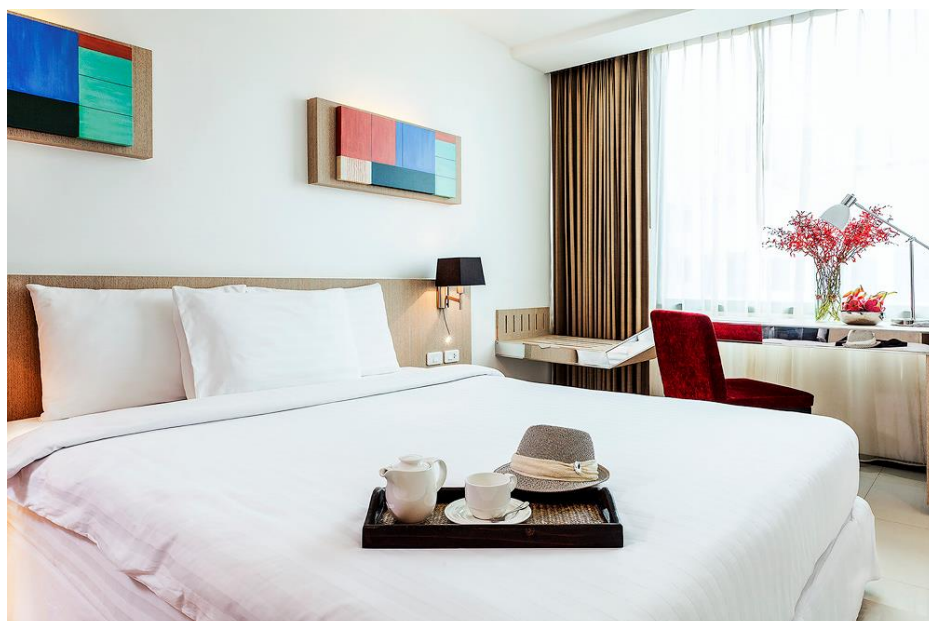
2) Hospitality Management

Under the management of SHG Management Company Limited (SHG Management: Syntec Hospitality Group Management), a subsidiary for hotel and service management, which opened in October 2019 onwards, located at 89 Soi Paholyotin 3, Paholyotin Road, Payathai Subdistrict, Payathai District, Bangkok, it was established to manage professional hotel and hospitality businesses and provide professional advice to hoteliers, business developers, and investors to ensure a good return on investment. The Company has a long-term plan to provide hotel business management services, consulting services, and management system implementation services before it becomes available to those interested in running a hospitality business, by starting from the management of the hotel business under Syntec Construction Public Company Limited. The Company uses sales and marketing policies with centralization of marketing and sales to increase its sales and marketing capabilities, as well as save marketing, advertising, and public relations costs.



SHG Management Co., Ltd. currently manages the Vic3 Bangkok Hotel and serves as an Owner Representative in communications between the hotel owner, hotel management company, and hotel staff with the goal of maximizing the value of hotel investments in a win-win situation for Citadines Grand Central Sriracha and Somerset Harbor View Sriracha managed by Ascott International Management (Thailand) Limited.

The Company intends to grow the number of hotel management companies in the future in order to expand its network of hotel groups and income from management fees. This allows for increased revenue while decreasing administrative costs, as well as the establishment of policies for centralization in other areas such as human resource work, finance and accounting work, and information technology work, among others, to reduce redundant and delaying tasks, resulting in effective cost and personnel management.



3) Energy Management

Delta Infra One Co., Ltd. is a subsidiary of Syntec Construction Public Company Limited, established in July 2020 with Syntec having long experience and expertise in energy-efficient solutions such as a light-emitting diode, air conditioning systems, solar rooftop power plants with the main goal of providing comprehensive energy management services for all types of buildings, both small and large, from office buildings to factories. There are two types of services: 1) Engineering Procurement and Construction (EPC) and 2) Investment in energy-saving projects or solar rooftop power generation systems. The resulting benefits will be shared with the clients in the agreed proportion.



In accordance with the current situation in which energy and power costs have risen from baseline state, most entrepreneurs and individuals are paying greater attention to the usage of renewable energy from solar cells, indicating that renewable energy businesses will definitely develop in the future.

Delta Infra One Co., Ltd. has signed contracts with clients for 2 projects in 2022, both of which are solar rooftop power generation systems.

1. The Poranan Project with a power generation capacity of 604.80 kW and a project value of 16,731,863.00 baht was installed in Samut Prakan Province.
2. UD TOWN Project with a power generation capacity of 1,384.80 kW, and a project value of 39,240,611.00 baht was installed at Udon Thani Province.

The projects completed their first synchronization in December 2022 and expect to generate income in February 2023.

For interesting projects in the future, such as projects through the Provincial Electricity Authority PEA, including the Infantry Center of Prachuap Khiri Khan Province, with an installed power generation capacity of

2.4 megawatts. Furthermore, the *Office of Energy Regulatory Commission* (OERC) announces the purchase of electricity from solar rooftop power generation projects for the residential sector with a power generation capacity of not more than 10 kW. It has been continually purchasing the electricity since 2022, with a goal of 10 megawatts each year, supplying 5 megawatts to the Metropolitan Electricity Authority (MEA) and 5 megawatts to the Province Electricity Authority (PEA). It has purchased the electricity for 2.20 baht per unit for a ten-year term, with the Scheduled Commercial Operating Date (SCOD) established within 270 days of the Electricity Selling Contract's signing.



4) Construction is the main business with acceptance of construction works from both the public and private sectors, providing various types of construction services such as residential buildings, office buildings, hospitals, hotels, shopping centers, and industrial plants infrastructure. The Company's construction operations can be divided into 3 types of operations as follows:

Main Contractor: The Company offers work on behalf of the Company to become a contractor by submitting bids, tendering, or negotiating directly with project owners. In the case of a large construction project or a construction requiring specialized expertise, the Company will hire skilled sub-contractors to operate some parts. In the selection of subcontractors, the Company will consider their past performance and reliability and will not rely on any particular subcontractor.

Sub-Contractor: The Company will accept the work by contracting from other contractors who receive work directly from the project owner and will consider itself as a subcontractor from a reputable company with a stable financial position.

Joint Venture: The Company may engage in the business of two or more individuals or businesses in a joint venture, including capital, assets, labor, technology, or otherwise, under a joint venture agreement or

contract. The type of business operation will exceed in the case that the Company has received a large project which requires labor and technology to operate. If the project is completed, the joint venture will also be terminated.

Considering the revenue structure in the past, the types of construction can be divided according to the nature of the work as follows:

1) Infrastructure: It is construction work related to public agencies. As the Company realizes the fundamental importance of the development of the nation, it is determined to conduct the construction according to the objectives of each type of work, such as the construction of manholes and conduits, wastewater treatment project, and reinforced concrete flood protection line, etc. The Company has a plan to participate in the bidding of infrastructure projects and may consider working with potential domestic and international partners in order to support the development of infrastructure that the government must implement in accordance with the National Economic and Social Development Plan.

2) Institution: It is a building construction Various system installation work by the Company. Construction works of the institutional type include schools, embassies, district office buildings, aviation control center buildings, etc.

3) Residential building: It is comprehensive building construction, from foundation work, structure work, architecture work, sanitary system work, electrical system work, communication system, air conditioning work, elevator system work, and exterior landscape work. The Company has construction projects such as residential condominium projects, serviced apartments, housing projects, the Baan Eua-Arthorn project, etc.

4) Office building and commercial building: It is a construction of all types of office buildings from general building construction up to high-rise buildings including providing services for various systems which meets the specified standards The Company has construction work in office buildings and commercial buildings such as the recreation center building, office buildings, commercial buildings, exhibition halls, etc.

5) Hotel or resort: It is a construction of all types of hotels or resorts in the form of integrated construction, including relevant systems. The Company has construction works in the category of hotels or resorts, such as luxury hotels of various levels, resorts, vacation rentals, etc.

6) Shopping center: It is a construction of supermarkets or all types of shopping malls which the Company uses technology and construction techniques to control by providing construction services from structural work until completion, such as shopping centers, department stores of various levels, supermarket, shopping malls, etc.

7) Industrial factory: It is a construction of all types of factories, including various system works that meet the necessary standards and respond to industrial applications. The Company has construction works in the type of industrial plants such as industrial estates, industrial factories, etc.

The Company has the policy to support the construction of environmentally friendly buildings thanks to the foresight that sustainability is becoming more important in the real estate market. The value of green buildings is expected to increase due to the rising ESG concept development by owners and investors. As a

result, the liquidity of asset sales and asset value increases, and as the Company is a leader with expertise in building construction, it can be part supporting this concept and is ready to be an environmentally friendly building constructor in terms of design or selection of materials in accordance with clients' requirements.

2) Marketing and Competition

Client characteristics

Most of the Company's clients are private sectors who are well-known project developers with stable financial status. In the past 2022, the Company has been entrusted to sign new construction contracts within the year as follows:

Unit: Million Baht

No.	Project name	Project Owner	Contract value*
1	SSUP Park Pattaya	SSUP Infinite Co., Ltd.	205
2	Government Complex Building Zone C	Dhanarak Asset Development Co., Ltd.	3,954
3	Central Ayuthaya Hotel (Piling Work)	Central World Co., Ltd.	12
4	Scope Langsuan (26th to 33rd floor)	Scope Co., Ltd.	28
5	Medical Complex Ramintra	Sinphaet Co., Ltd.	843
6	Osprey Data Center	One Asia data center (Thailand) Co., Ltd.	478
7	Escent Ville Suphanburi (Piling Work)	Central Pattana Residence Co., Ltd.	14
8	Chonburi Hotel	Central World Co., Ltd.	62
9	Centara One Rayong Hotel	Central World Co., Ltd.	198
10	Escent Hatyai (17th to 34th floor)	Central Pattana Residence Co., Ltd.	32
11	Aspire Sukhumvit-Rama 4	Ap Me15 Co., Ltd.	1,121
12	Escent Ville Suphanburi	Central Pattana Residence Co., Ltd.	189
13	Plum Condo Rama 2 Phase 2.2	Prueksa Real Estate PCL.	244
Total 13 Projects			7,380

Note * It is the value as of the construction contract date. The price already includes 7% VAT and does not include the value-added - reduced work during the project.

The number of projects that the Company has been entrusted to sign construction contracts in 2022 is a total of 13 projects, with a total value of 7,380 million baht.

However, in the past, the Company's clients were not only the private sector but also the public sector, such as the Baan Eua- Arthorn project, Suvarnabhumi Airport Maintenance Building, as well as the flood protection line along the Chao Phraya River of Bangkok.

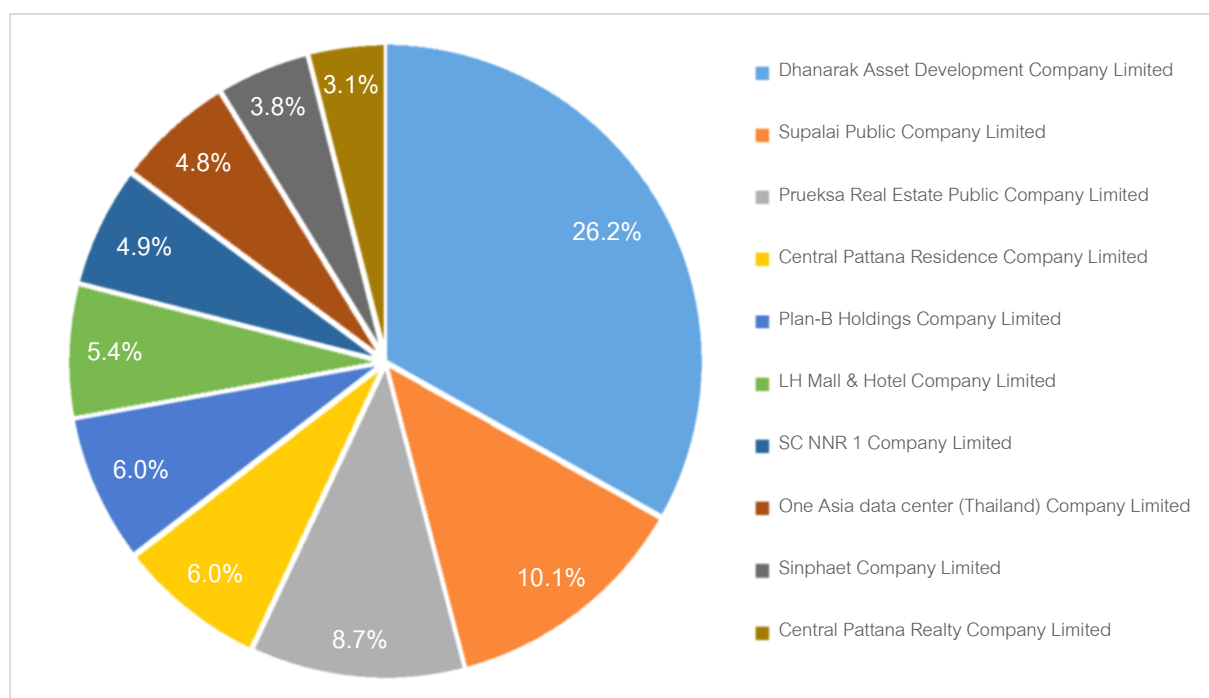
Distribution and Distribution Channels

The Company has the Estimate & Technical Engineering Department responsible for tracking the bidding information of both public and private sectors through various media and conducting competitive bidding with other companies the Company also receives new client referrals from existing clients who are more satisfied with the Company's work.

Target Client

For its business operations in 2022, the Company's target clients are mainly the private sector and also obtained mega project from public sector. The Company will choose a project developer listed on the SET as it can be seen that in the past, the Company has gained trust from leading project developers such as Dhanarak Prukha Real Estate Public Company Limited and Supalai Public Company Limited. In addition, the Company also accepts construction projects of limited company clients to consider clients based on reputation, financial status, etc.

In 2022, the Company's top 10 major clients in terms of revenue as of December 31st, 2022, are as follows:



Summary of Thai Industrial Economy in 2022 and Outlook for 2023

Hotel Business

The hotel business will enjoy a steadily improving outlook over the next three years. However, recovery will remain only sluggish through 2022 given the limited number of tourist arrivals, and in particular the continuing depressed state of the Chinese market, where the government is still strictly implementing Zero-COVID policy. In addition, the global economy is facing significant headwinds as a result of the outbreak of Russia-Ukraine war, and this too is weighing on the industry. Nevertheless, the number of foreign arrivals should build at an accelerating rate through 2023 and 2024, and by 2025, the industry is expected to return to its pre-COVID level of 38-40 million arrivals annually. Alongside this, the domestic market will also continue to strengthen on government policies to stimulate internal tourism. On the supply side, large hotel operators are expected to continue with their expansion plans, though possibly at a slower rate than initially intended. As such, the national

occupancy rate will remain somewhat underwhelming, hitting an average of just 45% in 2022 and then improving to around 55% in 2023 and 65% in 2024. Thus, the significant oversupply of accommodation seen in all parts of the country will combine with the slow recovery in arrivals to impose a tight limit on how much space operators will have to raise room rates.

- Hotels in the major tourist areas of Bangkok, Pattaya and Phuket: Because hotels in these cities are dependent primarily on foreign tourists, conditions will remain depressed in 2022, but the outlook will improve in 2023 and 2024 on greater demand from both Thai and international visitors. By the end of the period, occupancy rates should be back to around 65-70%, compared to 79% in 2019.
- Hotels in regional centers and other popular tourist areas : These hotels will see ongoing recovery. Because most of these establishments serve the domestic market, they will benefit from the government's policies to stimulate the tourism sector, but occupancy rates are expected to climb to just 50-52% over the next three years, some way off the 66% recorded in 2019.
- Hotels in other provinces: For these hotels, recovery will remain a slow and protracted affair, and although government efforts to support the tourism sector will help, travelers in these provinces are in fact often on their way to provincial centers or tourism sites elsewhere. Given this, recovery in income and occupancy rates will tend to lag that of the two groups described above.

In all parts of the country, hoteliers will have to contend with a rise in competition that will be stoked by an oversupply of short-term accommodation from both hotels and other types of daily accommodation. This will be worsened by the only slow recovery in demand, and because of this, average occupancy rates will remain at just 45%, 55%, and 65% over 2022, 2023, and 2024 (down from 71.4% in 2019). This will then place a tight cap on how far operators are able to raise room rates.

The situation has continued to improve over the first 9 months of 2022, and signs of recovery are becoming increasingly evident in the tourism sector. Details of this recovery are given below.

(1) The relaxation of COVID-19 restrictions by the Thai government, including the ending of the Test & Go system for fully vaccinated arrivals from May 1, 2022.

(2) The ending of restrictions on outbound travel in many originating countries.

The creation of a 'travel bubble' connecting Thailand and India in March 2022, which since April has helped to steadily increase the number of arrivals from India.

In addition, thanks to the April-1 opening of the land crossing Between Thailand and Malaysia, Malaysia has been the most important originating country for arrivals to Thailand since June. Thus, for 9M22 in total, 0.97 million Malaysian tourists have come to Thailand, representing 17% of all foreign arrivals, and followed in

importance by India and Singapore respectively. However, despite this broadly positive outlook, the outbreak of war in Ukraine in February has severely restricted the Russian market, and instead of the 7% share of all arrivals seen in 2021, Russians accounted for just 2% of foreign tourists coming to Thailand over 9M22. Likewise, China's continuing pursuit of its Zero-COVID policy means that the 28% share attributable to the Chinese market in 2019 had shrunk to just 3% by 9M22.

- Thai tourists took a total of 103.4 million domestic trips in 9M22, which represented an increase of 274.2% YoY. This was largely attributable to the easing of pandemic restrictions and the continuation of government measures that aimed to stimulate domestic tourism, including the extension of phase four of the We Travel Together program (July-October 2022).
- The occupancy rate has continued to strengthen, and this reached 42.0% in 9M22, up from just 9.9% in 9M21. The occupancy rate has improved across the country thanks to the increase in the number of both Thai and overseas visitors. However, compared to the pre-COVID period, the occupancy rate remains very weak (i.e., over 9M19, the national occupancy rate was 71.1%). Average room rates also increased by 9.7% YoY, and this pushed revenue per available room to THB 417 compared to just THB 90 in 9M21.
- For the five hotel operators registered on the SET, income grew but net profit margins continued to fall, though at a slower rate than previously. In the first half of 2022, combined income for these five companies jumped 82.8% YoY to THB 67 billion on recovery in tourist numbers, though the scale of the increase is attributable to last year's low base. Average net profit margins remained negative at -12.0%, though this was an improvement on 1H21's -70.0%.

Business Outlook in 2023

The hotel industry will see an accelerating rate of recovery over 2022 to 2024 as it emerges from two years of deeply depressed conditions. Recovery in the overseas segment is predicted to be complete by 2025, by which time the number of foreign arrivals should be back to its pre-COVID level of 38-40 million annually. The domestic segment is rebounding more rapidly, helped in part by the effect of ongoing government stimulus packages, and it is now forecast to return to the pre-pandemic level of around 185 million trips annually in 2024. Operators of larger chains are also expected to move forward with their investment plans, though progress may be slower than initially imagined. Given this, the national occupancy rate is expected to reach an average of just 45% in 2022 before climbing to 55% in 2023 and 65% in 2024.

The number of foreign tourists coming to Thailand will increase at a quickening pace over the next few years. Krungsri Research therefore expects 10.4 million arrivals in 2022, and although this would be a sharp improvement on 2021's total, it will still be significantly below the pre-COVID norm. This is because China, Thailand's most important market for tourism, is still pursuing its zero-COVID strategy. In addition,

weakness in the global economy caused by the war in Ukraine is also dragging on the tourism industry. The situation should improve over 2023 and 2024, when foreign tourist arrivals are forecast to increase to 22.7 million and 35.3 million, respectively. This recovery will be helped by the following factors.

- (1) The full reopening of Thailand on July 1, 2022, clearly helped to boost tourist arrivals, and this was especially noticeable in the main tourist destinations of Bangkok, Pattaya, and Phuket.
- (2) The successful rollout of vaccination programs has meant that most countries have now relaxed controls on international travel, and this has then rebuilt confidence in the tourism sector.
- (3) China, Thailand's most important tourist market, is expected to begin relaxing controls on outbound travel in mid-2023.
- (4) The government is continuing to use policy tools to stimulate the tourism sector by, for example, creating a travel bubble linking Thailand with major markets such as China and India, and running roadshows targeting new high-end markets, including in Saudi Arabia.
- (5) Thailand's unique charms continue to support high levels of interest among travelers and to maintain the country's position on the world stage as a widely admired tourism destination. The most recent Visa Global Travel Intentions study found that Thailand was the world's fourth most attractive tourist destination, coming after only the US, the UK and India, while TAT Newsroom (May 2022) reports that Bangkok, Phuket, Chiang Mai, and Hua Hin are among the world's most googled travel destinations.

The domestic segment will also continue to strengthen. Because the number of foreign tourists will remain significantly below normal levels for all of 2022, businesses offering hotel and tourism services will remain dependent primarily on the domestic market. **Krungsri Research sees Thai tourists making a total of 125 million domestic trips in 2022 and rising to 145 million in 2023 and 185 million in 2024**, which would be somewhat higher than the 166 million trips recorded in 2019 prior to the outbreak of COVID-19. This outlook is supported by the following:

- 1) **Government measures to encourage domestic tourism will continue through 2022.** This includes the 'We Travel Together' scheme, which has gone through various iterations since 2020 and is now in an extension to phase four of the program, and the designation of additional public holidays. These programs have proven to be very valuable for players in the tourism and hotel industries and will remain so as long as overseas markets are still depressed.
- 2) **The development of national infrastructure will help to underpin an expansion** in the tourism sector. Upgrades and expansions to provincial airports, and improvements to road and rail networks will be particularly important in achieving these ends, and one outcome of this will be to boost tourism in second-tier destinations.

The expansion in the supply of new hotel rooms is tending to slow, as reflected in applications for hotel construction permits (these indicate new supply that will come to market in the next 1-2 years). In 2021, the total number of these permits fell -8.5% to 1.8 million sq.m., 40% of which was for applications submitted in Bangkok totaling 0.75 million sq.m. or slipped -7.0% due to the weak state of the market, especially in the overseas segment. Bangkok was followed in importance by Chonburi, which had a 22% share, or a total of 0.4 million sq.m., although this was an increase of 38.3%; investment has risen in the EEC to meet anticipated future demand resulting from an expansion in industrial activity and tourism services in the region. (from the analysis of the Krungsri Research Office).

Construction Business

Through the rest of 2022, the construction sector will struggle under the impact of the Russia-Ukraine war and the effects of this on global oil and commodity costs, which are feeding into significantly higher prices for fuel and building materials, in particular for steel and cement. However, over 2023 and 2024, growth will tend to move with forecast overall growth in investment in the construction sector of 4.5-5.5% per year.

One of the primary drivers of activity for the industry will be spending on government megaprojects, in particular on projects connected to the Eastern Economic Corridor (EEC), where work will need to be accelerated if it is to be completed according to phase 2 of the EEC transport infrastructure development plan for 2022-2026. The outlook for private sector investment in both residential and commercial projects will also gradually improve with progress on infrastructure projects and with broader economic recovery and the effects of this on consumer purchasing power. In addition, it will be possible for larger players to expand into markets in neighboring countries, where economic growth and ongoing investment in infrastructure is opening up new business opportunities.

Contractors working on public-sector megaprojects should see their income grow steadily over 2022-2024 as spending on these ramps up. However, players working on private-sector projects will see conditions remain depressed in 2022 before they gradually improve in 2023 and 2024.

- **Construction contractors engaged on large civil engineering** developments will enjoy a recovery in their income as the government accelerates the pace of work on infrastructure projects. Large and mid-sized players will benefit from their ability to bid on contracts and to project-manage effectively, and this will feed into a rise in incomes. These players will be able to work on ongoing public-sector projects (e.g., expansion of mass transit systems, and the double-track railway and motorway networks), megaprojects that connect to the EEC, and other infrastructure projects, for which the volume of work is likely to increase.
- **For companies working on private-sector accommodation, general construction, and high-rise and large buildings**, income will tend to improve in 2023 and 2024, but for the rest of 2022, receipts will likely remain flat given the need to absorb the higher cost of fuel and construction materials. Large and medium-sized players will recover before that of smaller companies, though players involved in mixed-use projects will head the pack thanks to their increasing backlog of unfinished work.

Large contractors will also have the opportunity of expanding into regional markets, especially for work on residential, commercial and industrial projects, for which investments are growing steadily with broader economic growth. However, the outlook for small businesses is less favorable and income growth may drag as work on smaller projects slows. In addition, smaller companies have greater difficulty managing their costs and are more exposed to labor shortages, and this will increase the risk of players in this group seeing their incomes fall and of becoming insolvent.

Business conditions remained unfavorable into 1Q22 as rising costs continued to drag on the industry. The invasion of Ukraine by Russia at the end of February has added to the upward pressure on prices by tightening the supply of oil and construction materials, especially of some types of steel, which have now disappeared from the market. This has been particularly important because Russia is the world's second biggest supplier of oil (as of 2020) and Russia and Ukraine combined account for 12% of the world's supply of steel (a total of 47 million tonnes). Thai construction contractors have thus had to contend with a steep spike in the cost of both materials and transport, and so in 1Q22, prices for rebar jumped 25.3% YoY to THB 27,446/tonne, while the price of channel was up 37.5% YoY to THB 36,046/tonne. At the same time, prices for concrete and cement rose by respectively 5.7% and 4.8% (steel, concrete, and cement account for respectively 23%, 16% and 13% of average costs in the construction sector). Against this background, some developments have run into financial difficulties that have added to pre-existing problems related to COVID-19-induced labor shortages. As such, spending on these projects has had to be deferred and the net effect of this has been to pull down overall 1Q22 investment in construction by 3.7% YoY to around THB 340 billion, split between THB 210 billion from the public sector (down 2.1% YoY) and THB 130 billion from the private sector (down 6.1% YoY).

Industrial Outlook

Krungsri Research sees the construction sector enjoying continuing growth over the period 2022 to 2024, with business conditions helped by expanding construction investment value. Business conditions will be lifted by work on infrastructure megaprojects, in particular those connected to the development of the EEC, and expansion of national communications networks, most notably of road and rail systems. With regard to the private sector, investment will tend to rise with economic growth, and this will be directed at both residential and commercial projects.

Nevertheless, through 2022, contractors will still have to contend with the spike in the price of oil and construction materials that the war in Ukraine has triggered. Because contractors will need to shoulder these additional costs themselves, some smaller operations will be at risk of becoming illiquid and so of having to cancel contracts. Moreover, many contractors have yet to receive compensation payments (i.e., the K value or escalation factor) for the higher cost of completing work on public-sector projects (source: Thai Contractors Association, Thansettakij, 2 April, 2022). Spending on construction is therefore expected to grow by 3.0-3.5% in 2022, though this will accelerate to 4.5-5.5% during 2023 and 2024

Public spending on construction is expected to grow by 5.0-6.0% annually over 2022-2024. Disbursements will be made for ongoing work on megaprojects as the authorities try to meet the deadlines set out in the 2019 Transportation Action Plan, itself part of the 20-year strategy for the development of Thailand's communications system.

Investment in construction by the private sector should steadily increase at an average rate of 3.0-4.0% annually over 2022-2024. This outlook is supported by the following.

The residential segment will pick up and over 2022-2024, the number of new properties coming to market should increase by an average of 10.0% to around 70,000 units per year. Developers will tend to increase the share of low-rise properties in their portfolios, especially for developments in more suburban areas as they look to meet rising real demand for residence attracted to the market by extensions to motorways and mass transit systems that have reduced travel times between the suburbs and the city center. Work on condominiums will also pick up in certain areas, most notably in central districts and along some mass transit lines, though this will mostly benefit larger developers. However, in the short term (i.e., over 2022), construction work may slow with the greater cost of fuel and construction materials. Although developers have the option of responding to higher costs by putting up their own prices, weak consumer spending power limits the room for this. As such, the Thai Home Builders Association expects house prices to rise by 5-8% from April 2022.

Over 2023 and 2024, the cost of construction materials should fall from the peaks seen in 2022, though prices will remain high. The market will be affected by a number of factors. (i) More expensive energy will impact manufacturing and transport costs, but while investment and the economy are still in a period of restrained recovery, large players will be able to use their advantageous market position to negotiate favorable terms with manufacturers and distributors of construction materials, and this will help to restrain price rises for these. (ii) Higher global prices have influenced the cost of imports of the scrap and billet used in the construction sector, while problems with a supply glut caused by over production in China are now clearing. (iii) Recovery in the construction sector will support stronger demand for building materials, especially for cement and steel. (iv) Prices will also be affected by the government's "Made in Thailand" policy, which promotes the use of Thai-made construction materials.

Responses by construction contractors to changing market conditions

Large players will rely on their superior negotiating position relative to manufacturers and distributors of construction materials to manage the cost of inputs. They will also try to preserve their income and profits by moving into new markets, for example by managing mass transit systems, while investment will tend to be directed to high-tech machinery that reduces risks arising from labor shortages, cuts construction time, and improves the quality of finished work. This includes BIM (building information modeling) software and the use of prefabricated building components.

SMEs are mostly family-run businesses that have limited access to capital and so they negotiate with suppliers from a much weaker position. Many work as subcontractors for large players, especially on public-sector megaprojects, although some are also looking for additional sources of income from renovation and repair work. (from the analysis of the Krungsri Research Office)

Number of Competitors

In 2022, the Company continues to participate in construction bidding regularly in order to accumulate more backlogs and although the construction business is highly competitive due to both existing and new contractors entering to compete for market share, the Company still gains trust from its clients. As of December 31st, 2022, the Company has a total outstanding balance of 7,193 million baht, which may continuously generate revenue for the Company in the future. However, when looking at the income, the Company is the ninth-largest in comparison with entrepreneurs listed on the Stock Exchange of Thailand under the name "Construction Services" with a total of 26 companies. The revenues are as follows:

Table showing the revenue of construction contractors listed on the Stock Exchange of Thailand in 2022

No.	Company Name	Revenue (Million Baht)	Percentage (of Total)
1	Italian-Thai Development Public Company Limited	67,833.32	31.11
2	Sino-Thai Engineering and Construction Public Company Limited	30,574.87	14.02
3	Karnchang Public Company Limited	19,437.84	8.91
4	Nawarat Patanakarn Public Company Limited	13,247.19	6.07
5	TTCL Public Company Limited	11,450.36	5.25
6	Unique Engineering and Construction Public Company Limited	11,328.98	5.20
7	Power Line Engineering Public Company Limited	8,228.32	3.77
8	Civil Engineering Public Company Limited	6,096.67	2.80
9	Pre-Built Public Company Limited	5,800.02	2.66
10	Christiani & Nielsen Public Company Limited	5,387.01	2.47
11	Thai Polycons Public Company Limited	5,282.92	2.42
12	Sahakol Equipment Public Company Limited	5,238.06	2.40
13	Syntec Construction Public Company Limited	5,156.30	2.36
14	STP & I Public Company Limited	3,883.09	1.78
15	TRC Construction Public Company Limited	3,373.02	1.55
16	BJC Heavy Industries Public Company Limited	2,738.01	1.26
17	Right Tunneling Public Company Limited	2,025.57	0.93
18	Asia Precision Public Company Limited	1,823.69	0.84
19	Well Grade Engineering Public Company Limited	1,663.37	0.76
20	TEAM Consulting Engineering and Management Public Company Limited	1,654.15	0.76
21	Sriracha Construction Public Company Limited	1,593.03	0.73
22	Pylon Public Company Limited	1,157.73	0.53
23	Triton Holding Public Company Limited	829.97	0.38

No.	Company Name	Revenue (Million Baht)	Percentage (of Total)
24	Seafco Public Company Limited	808.80	0.37
25	Bangkok Dec-Con Public Company Limited	779.38	0.36
26	EMC Public Company Limited	671.37	0.31
รวม		218,063.04	100.00

Source: The Stock Exchange of Thailand

Status and Competitiveness

At present, the company has a large construction project with more construction area and higher construction value including the construction of residential buildings, office buildings, hotel buildings, hospitals, etc. The Company focuses on competitive construction of quality under the contractual period and, most importantly, under the budget set by the project owner. In recent times, it is likely that clients do not always choose a contractor with the lowest price, but rather a contractor who offers a reasonable bid and takes into account the Company's past performance, including reliability in quality and safety work and meeting the needs of clients.

(3) Procurement of Products or Services

3.1) Characteristics of the procurement of products

The Company's construction operations will start by contacting construction contractors from various media including direct employment from clients. Prior to the bidding process, the Company's departments will jointly study the construction drawings and the feasibility of work, where the Construction Department will provide the construction planner and the technical information on the construction. The Cost Control Department will provide information on construction costs, subcontractors, details, and conditions set by the project owner which affect the cost of construction. Then, the Cost Estimation and Auction Department will perform the price estimation. Estimated the amount of work and examined the unit price according to the market price. Subsequently, a summary report on construction costs, conditions, and construction plans will be produced and presented to the Company's management committee for review and improvement as appropriate before presenting it to the customer in case of further price negotiations. The Company's management committee will participate in the negotiations and consider accepting the job.

3.2) Procedure during operation

After the bidding has been made and the Company has already signed a contract with the project owner, the next procedure is to carry out the construction work, which will be performed as follows:

1. To appoint a project manager to be responsible for various operations in construction projects.
2. To plan the construction operation by

2.1) Project Manager

- To prepare a detailed construction plan by checking the actual needs of the project owner and in accordance with the requirements specified in the construction contract and use such requirements to plan the work;

- To make a manpower plan estimating the number of workers and craftsmen for each type of work;

and

- To prepare a plan for the machinery to be used in the construction work in each period.

2.2) Cost Control

- To make a detailed budget by consulting with the project manager;

- To prepare a project cost control system including the amount of material consumption;

and

- To prepare project financial plans.

3.3) Construction operation

3.3.1) Management of tools, machines, and construction materials in construction work, it is necessary to use machine tools to operate. Therefore, the Company sets up a warehouse for machinery and construction equipment in order to take care of the efficient use of machine tools.

3.3.2) Engineering work

Engineering Department supervises and is responsible for engineering work, which includes engineering design work and planning and control.

3.3.3) Quality control work

The Company has a division responsible for quality control in construction to ensure that the Company's construction meets the project objectives in terms of quality progression rate and construction budget.

3.4) Reporting and recording

All relevant parties prepare a report on the details of various tasks and report to supervisors according to the steps to jointly consider and resolve in case of problems encountered in a timely manner.

3.5) Tracking and Auditing

The supervisors of each department join the management committee to check the quality of work and costs to improve the work as appropriate including consulting with other parties to achieve the main objectives of that project.

During the construction process, if any process fails to be inspected, the work plan will be revised and rechecked. If the work is not completed as specified in the contract and/or later than planned, the project manager will analyze the cause of the delay and make further improvements to the plan.

3.6) Pre-delivery inspection

The project manager and the team work together to check and fix any bugs and is ready to deliver the work and supporting documents to the project owner.

3.7) Company Support Section consists of the following departments:

3.7.1) Procurement

The Procurement Department is responsible for procurement operations to use in various construction projects of the Company by selecting quality materials, equipment, and services in accordance with the terms of the construction contract in the correct number, on-time requirements at reasonable prices and conditions, complete delivery of procurement materials and services to construction projects, and implement sustainability assessment criteria, in terms of corporate governance, society, and the environment, to apply in procurement work, such as considerations on fair treatment of labor, human rights compliance, non-use of child labor and illegal labor, and compliance with environmental laws etc.

4) Assets used in business operation

4.1.1) Key characteristics of main fixed assets

The main fixed assets that Syntec Construction Public Company Limited and its subsidiaries use in its business as of December 31, 2022, (details of the consolidated financial statements) are as follows:

(Unit: Baht)

Property type	Proprietary nature	Cost price	Book price	Obligations
1. Land	Owned	1,295,186,410	1,295,186,410	1. Kasikorn Bank Public Company Limited - Credit limit for letter of guarantee 1,500 million baht, spent 724.28 million baht 2. Bank of Ayudhya Public Company Limited - SCR loan amount of 224 million baht, already drawn out of 206 million baht, not spending the remaining balance. - SCR loan amount of 390.70 million baht, withdrawn amount of 390.70 million baht (full amount used) - CSM loan amount 1,550 million baht, remaining debt 995.00 million baht (full amount spent"
2. Buildings and building improvements	Owned	2,168,019,680	1,323,930,891	1. Bank of Ayudhya Public Company Limited - Letter of Guarantee Limit of 900 million baht, spent 147.28 million baht"
3. Construction machinery and equipment	Owned	1,116,783,027	259,723,884	-
4. Aluminum construction	Owned	110,737,949	34,975,396	-

5. Decorations and equipment	Owned	312,703,999	86,283,590	-
6. Vehicles	Owned	136,115,051	14,685,686	-

Note: Details appear in the notes to the financial statements 14 Property, plant, and equipment

4.1.2) Important intangible assets in business operations

Syntec Construction Public Company Limited and its subsidiaries have important intangible assets in their business, namely software copyrights, and computer programs in operation. The information as of December 31st, 2022, is as follows:

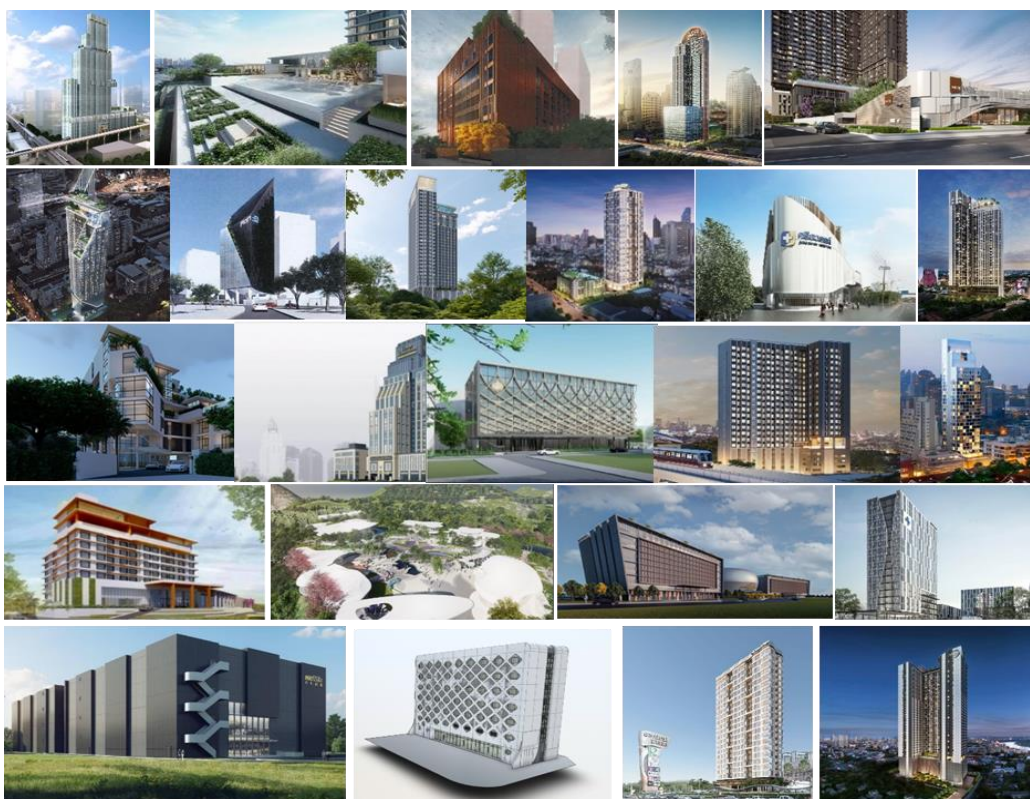
(Unit: Baht)

Mark/Copyright	Owner name	Product/Service type	Cost price	Net book value
1. Software Copyright	Owned	Software	50,401,641	17,197,547
2. Payment to buy the existing customer base and business	Owned	Customer base and existing business	8,000,000	-

Note: Details appear in the notes to the financial statements 16 Intangible assets

5) Current works

As of December 31st, 2022, the Company has a total of 24 construction projects that have been contracted for construction and are in the process of construction, with a contract value of approximately 13,830 million baht, with revenue recognition of 6,637 baht and the remaining work value. (Backlog) 7,193 million baht, which will be able to recognize revenue until 2023.



The Company's undelivered works and the Company's equity with a work value of at least 10% of total annual revenue are as follows:

	Project name	Project revenue recognition (%)	Duration (Days)	Expected to be completed	Value of work* (million baht)
1)	Government Complex Commemorating His Majesty the 80th Birthday of December 5, 2007 Zone C	28.71	550	17 Dec 2023	3,954

*Price excludes Vat 7%

1.3) Shareholding Structure of the Group

Investment Policy in Subsidiaries and Associated Companies

The Company has the policy to invest in businesses that operate a business with benefits related to the Company's core business and good growth prospects. The investment proportion and management policy in the subsidiary and associated companies depend on the expertise in the business, investment capacity, and administrative authority. As for business management in which the company has the expertise, the Company sends representatives of the directors to participate in formulating policies and management guidelines in accordance with the company's plans, as well as monitoring and controlling the operations of the executives to ensure that they comply with the established plans. As for the power of management in other businesses that the Company does not have expertise in business, the Company sends its representatives to be a director instead of directly managing.

During the past period, the Company has a policy to expand its operations to other related businesses in a manner that expands forward in order to increase the revenue recognition channel along with plans to expand the Company's core business to grow even more, such as operating a serviced apartment business, rebuilding for rent or potential real estate investment good location, available to use and able to generate revenue immediately, such as the management of leasehold rights of land and buildings, hotels, serviced apartments, etc.

1.3.1) Shareholding structure of the Group

(1) The Company has the policy to show the operations of companies in the group into 3 major categories, namely subsidiaries, associated companies, and related companies. The nature of business operations is as follows:

Subsidiaries

1) SCR Asset Management Company Limited (SCR)

It operates a serviced apartment business or real estate development for rent. The Company holds 68.00% of the paid-up capital. Currently, it has a registered capital of 600,000,000 baht, divided into 6,000,000 shares, 100 baht per share, or a total investment value of 408,000,000 baht, 4,080,000 shares. There are 3 projects in progress, namely Citadines Grand Central Sriracha), Somerset Harborview Sriracha.

2) Natural Ville Service Apartment and Management Company Limited (N'Ville)

It operates a personnel management business for hotels, serviced apartments, and other real estate businesses. The Company holds 99.97% of the paid-up capital (currently, it has a registered capital of 2,000,000 baht, divided into 20,000 shares, 100 baht per share) and provides management services for the management of leasehold rights for The Duchess Hotel and Residences (formerly Natural Ville Residence)

3) CSM Capital Partners Company Limited (CSM)

It operates a serviced apartment business or real estate development for rent. The Company holds 60.00% of the paid-up capital (currently, it has registered capital of 1,360,000,000 baht, divided into 13,600,000 shares, 100 baht per share). Currently, there is 1 project in progress, Eight Thonglor.

4) PT Tree Land Company Limited (PT 3 Land)

It operates a service apartment business, investing in real estate for rent. The Company holds 79.98% of the paid-up capital (currently, it has a registered capital of 120,000,000 baht, divided into 1,200,000 shares, 100 baht per share). Currently, there is 1 project in progress, X2 Vibe Patong Center.

5) JT Ten Company Limited (JT 10)

It operates a service apartment business, investing in real estate for rent. The Company holds 84.98% of the paid-up capital (currently, it has a registered capital of 100,000,000 baht, divided into 1,000,000 shares, 00 baht per share). Currently, there is one project in progress, a hotel in Chonburi Province.

6) AN 8 Company Limited (AN 8)

It operates a business to support business expansion and increase revenue from room service in Krabi province. The Company holds 79.90% of the paid-up capital (currently, it has a registered capital of 130,000,000 baht, divided into 1,300,000 shares, 100 baht per share).

7) SHG Management Company Limited (SHG)

It operates a business to manage the hotel business and the service business. The Company holds 70.00% of the paid-up capital (currently, it has a registered capital of 9,000,000 baht, divided into 90,000 shares, 100 baht per share).

8) Delta Infra One Company Limited (DELTA)

It operates a business through investments that operate in building systems work/regulated energy production/regulated energy distribution/electric power generation/electric power distribution. The Company holds 90.00% of the paid-up capital (currently, it has a registered capital of 17,000,000 baht, divided into 170,000 shares 100 baht per share).

Related Company

1) Bangkok Expressway and Metro Public Company Limited (BEM) in which the Company holds 0.49% of shares.

(2) Diagram of the shareholding structure of the Group

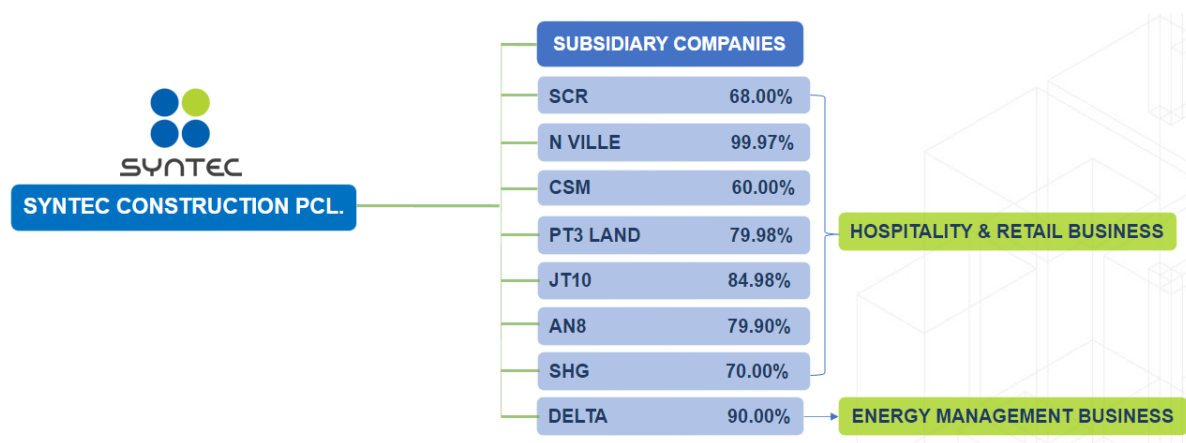


Table showing the relationship of the Company, its subsidiaries, associates, joint ventures, and related companies.

Business name	Nationality	Shareholding (percent)	Relationship nature
Subsidiaries			
1. SCR Asset Management Company Limited	Thai	68.00	Being a subsidiary with common directors
2. Natural Ville Serviced Apartments and Management Co., Ltd.	Thai	99.97	Being a subsidiary with common directors
3. CSM Capital Partners Company Limited	Thai	60.00	Being a subsidiary with common directors
4. PT Three Land Company Limited	Thai	79.98	Being a subsidiary with common directors
5. JT Ten Company Limited	Thai	84.98	Being a subsidiary with common directors
6. AN 8 Company Limited	Thai	79.90	Being a subsidiary with common directors
7. SHG Management Company Limited	Thai	70.00	Being a subsidiary with common directors
8. Delta Infra One Company Limited	Thai	90.00	Being a subsidiary with common directors
Related companies			
1. Bangkok Expressway and Metro PCL.	Thai	0.49	Being a related company
2. Maiwan (Thailand) Co., Ltd.	Thai	-	Being a related company which is a joint venture partner Syntec-Miwan (until 19 Oct 2015)
3. Siam Syntech Planner Company Limited	Thai	-	Being a related company with common directors.
4. Tate Enterprise Company Limited	Thai	-	Being a related company with common shareholders
5. N & J Asset Management Company Limited	Thai	-	Being a related company with common shareholders
6. Narai Phan Co., Ltd.	Thai	-	Being a related company with common directors.
7. N & J Hospitality Co., Ltd.	Thai	-	

Business name	Nationality	Shareholding (percent)	Relationship nature
8. Pink Cafe Co., Ltd.	Thai	-	Being a related company with common directors. related to the company's directors
9. Safe Series Co., Ltd.	Thai	-	Being a related company with directors related to the company's directors
10. Mankong Sangthong Holding Company Limited	Thai	-	Being a related company with directors related to the company's directors
11. Thonglor Management Company Limited	Thai	-	Being a related company with shareholders as the key executives of the company
12. Wealty Living Company Limited	Thai	-	Being a related company with common shareholders with the company
13. Chuapaiboon Steel Company Limited	Thai	-	Being a related company with shareholders related to the Company's directors
14. Thai Rung Ruang Industry Co., Ltd.	Thai	-	Being a related company with shareholders related to the Company's directors
15. TRR Property Company Limited	Thai	-	Being a related company with directors related to the Company's directors or shareholders
16. CSNJ Patong 3 Co., Ltd.	Thai	-	Being a related company with shareholders and directors related to the Company's directors or shareholders
17. The Gas Carrier Company Limited	Thai	-	Being a related company with shareholders and directors as shareholders and directors of the subsidiary.
18. Thai Ruam Toon Warehouse Co., Ltd.	Thai	-	Being a related company with common shareholders and directors with the Company. Being a related company with common directors with the Company Being a related company with shareholders and directors as shareholders and directors of the subsidiary.
Related parties			
1. 6 Related parties	Thai	-	Being related persons who are directors of the Company and its subsidiaries,

Business name	Nationality	Shareholding (percent)	Relationship nature
2. Key executives	Thai	-	shareholders, key executives or persons related to key executives
			Being competent persons with the responsibility for planning, directing and controlling the affairs of the entity, directly or indirectly, including any director of the Group/ Company (whether acting as an executive or not)

1.3.2) The Company has a person who may have conflicts of interest holding shares in a subsidiary or associated company more than 10% of the number of shares with voting rights of the Company, namely PT Tree land Company Limited, as Mrs. Sawang Munkongcharoen (the holder of shares of a subsidiary) is Mr. Jiramote Phahusutr's mother and may have conflicts of interest, holding 20% of the total voting shares in the subsidiary. The Company has already disclosed the transaction and shareholding information to the 2020 shareholders' meeting.

1.3.3) Relationship with the businesses of major shareholders

The Company or the Group is not an affiliated company or part of the business group of the major shareholder, and as a result of the Company's core business operation, it has no significant dependent or competitive relationship with other businesses in the major shareholder's business group.

1.3.4) Shareholders

(1) List of major shareholders of the Company

List of the top 10 shareholders and executives and their spouses as of December 31st, 2022

No.	List of major shareholders	Number of shares	Shareholder proportion (%)
	Phahusut		
1	Mr. Jiramote Phahusutr ¹	207,419,160	12.96
	Miss Anicha Atthasakulchai ⁴	6,194,900	0.39
2	Miss Nichaya Phahusutr ²	176,031,760	11.07
3	Mr. Sukhum Phahusutr ³	109,061,900	6.85
	Total	498,707,720	31.35
	Major shareholder		
4	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	79,726,118	5.01
5	Mr. Chawalit Poonpermsuwan	68,600,000	4.31
6	Mr. Somchai Padpai	55,351,000	3.48
7	Mr. Nattapat Rangsana	47,238,800	2.97
8	LGT BANK (SINGAPORE) LTD.	43,501,300	2.73

No.	List of major shareholders	Number of shares	Shareholder proportion (%)
9	N & J Asset Management Company Limited ⁵	27,660,000	1.74
10	UBS AG SINGAPORE BRANCH	27,587,000	1.73
Total		349,664,918	21.97

Note :

¹ Mr. Jiramote Phahusutr is the Managing Director and Director of the Company, having the authority to approve the signing of the Company's certificate.

² Ms. Nichaya Phahusutr is the Deputy Managing Director and elder sisterther of Mr. Jiramote Phahusutr.

³ Mr. Sukhum Phahusutr is the Deputy Managing Director and father of Mr. Jiramote Phahusutr.

⁴ Miss Anicha Atthasakulchai is the spouse of Mr. Jiramote Phahusutr.

⁵ N & J Asset Management Company Limited engages in real estate rental and operation business. There is a list of shareholders, namely Mr. Jiramote Phahusutr, holding 616,000 shares (or equivalent to 20% of the total shares sold). Ms. Nichaya Phahusute, holding 616,000 shares (or equivalent to 20% of the total shares sold), and Mrs. Sawang Munkongcharoen, the mother of Mr. Jiramote Phahusutr, holds 1,848,000 shares (or 60% of the total shares sold).

(2) List of major shareholders of subsidiaries and associated companies

SCR Asset Management Company Limited

No.	Shareholders	Number of shares held	Shareholding (%)
1	Syntec Construction Plc.	4,080,000	68.00
2	Mrs. Chanida Asadathorn	960,000	16.00
3	Mr. Chusak Wongkusolkrit	960,000	16.00
Total		6,000,000	100.00

CSM Capital Partners Company Limited

No.	Shareholders	Number of shares held	Shareholding (%)
1	Syntec Construction Plc.	7,950,000	60.00
2	Mankong Sangthong Holdings Co., Ltd.	3,312,500	25.00
3	Mrs. Chanida Asadathorn	993,750	7.50
4	Mr. Sorasit Wannaprasert	331,250	2.50
5	Mr. Jeerasak Wannaprasert	331,250	2.50
6	Mr. Nuttakorn Wannaprasert	331,250	2.50
Total		13,250,000	100.00

Natural Ville Service Apartment and Management Company Limited

No.	Shareholders	Number of shares held	Shareholding (%)
1	Syntec Construction Plc.	19,997	99.985
2	Mr. Somsak Hemtanon	2	0.010
3	Mr. Boonkiat Keeratichaiwat	1	0.005
Total		20,000	100.00

PT Tree Land Company Limited

No.	Shareholders	Number of shares held	Shareholding (%)
1	Syntec Construction Plc.	959,760	79.98
2	Mr. Somsak Hemtanon	1	0.01
3	Ms. Benjawan Klinchan	1	0.01
4	Mrs. Sawang Mankongcharoen	240,000	20.00
Total		1,200,000	100.00

JT Ten Company Limited

No.	Shareholders	Number of shares held	Shareholding (%)
1	Syntec Construction Plc.	1,189,720	84.98
2	Mr. Chairat Saengthong	210,000	15.00
3	Mr. Somsak Hemtanon	140	0.01
4	Ms. Benjawan Klinchan	140	0.01
Total		1,400,000	100.00

AN 8 Company Limited

No.	Shareholders	Number of shares held	Shareholding (%)
1	Syntec Construction Plc.	1,038,700	79.90
2	Mrs. Sawang Mankongcharoen	130,000	10.00
3	Mrs. Yuwadee Wongkusolkit	130,000	10.00
4	Ms. Benjawan Klinchan	1,300	0.10
Total		1,300,000	100.00

SHG Management Company Limited

No.	Shareholders	Number of shares held	Shareholding (%)
1	Syntec Construction Plc.	63,000	70.00
2	Tate Enterprise Co., Ltd.	9,000	10.00
3	Thonglor Management Co., Ltd.	4,500	5.00
4	Mrs. Yuwadee Wongkusolkit	13,500	15.00
รวม		90,000	100.00

Delta Infra One Company Limited

No.	Shareholders	Number of shares held	Shareholding (%)
1	Syntec Construction Plc.	35,998	90.00
2	Mr. Thosapol Thanaboonthai	4,000	10.00
3	Mr. Somsak Hemtanon	1	0.00
4	Ms. Benjawan Klinchan	1	0.00
Total		40,000	100.00

1.4) Amount of Registered and Paid-Up Capital

1.4.1) Name of Registered Securities "Syntec Construction Public Company Limited"

The company has registered capital 1,590,957,300 baht, paid up 1,590,957,300 million baht divided into ordinary shares 1,590,957,300 shares, par value of 1.00 baht per share, with a history of capital increase/capital reduction as follows:

Month/Year Registered Paid-Up Capital	Registered Capital (baht)	Paid-Up Capital		Offered for sale to.....for.....
		Capital Increase/Decrease (million baht)	After Capital Increase (million baht)	
May 1997	600,000,000	8.46	397.06	Offered for sale by giving rights to existing shareholders in the ratio of 2 existing shares to 1 new share at a price of 2.0 baht per share for working capital in various projects.
June 2001	3,970,570	(596.03)	3.97	Reduced capital under the rehabilitation plan under the Central Bankruptcy Court
June 2001	400,000,000	0.00	3.97	Increase capital according to the business rehabilitation plan under the Central Bankruptcy Court
December 2001	400,000,000	342.86	346.83	Increase capital according to the rehabilitation plan by 300 million baht sold to new investors and 42.86 million baht from the conversion of creditors from group 6, group 7, and group 9 to equity.
January 2002	400,000,000	3.56	350.39	Increase capital according to the rehabilitation plan from the conversion of debt from group 6, group 7, and group 9 to equity.
April 2003	400,000,000	0.00	350.39	Amendment of Memorandum, Clause 4, change the value of shares from 10 baht per share to 1 baht per share.
May 2003	400,000,000	11.22	361.61	Increase capital according to the business rehabilitation plan from converting debt from group 6, group 7, and group 9 to equity.
September 2003	400,000,000	11.22	361.61	Increase capital according to the business rehabilitation plan from converting debts of group 6, group 7, and group 9 into equity and issue share certificates in the name of Siam Syntec Planner Company Limited to keep them for allocation and delivery of share certificates to the creditor according to the court order.
December 2003	1,600,000,000	1,200	1,600.00	Increase registered capital from 400 million baht to 1,600 million baht by issuing ordinary shares in the amount of 1,200 million baht with a par value of 1 baht per share and to allocate and offer for sale the whole amount to the existing shareholders of the company in proportion of 1 existing share to 3 new shares at a par value of 1 baht per share
June 2022	1,590,957,300	9,042	1,590.96	Reduced registered capital from 1,600 million baht to 1,590.96 million baht by canceling stock buyback of 9,042,700 shares at 1 baht per share.

1.4.2) The company “does not have” other types of shares with different rights or conditions than ordinary shares.

1.4.3) The Company “does not have” shares or convertible securities of the Company as the underlying securities for the issuance of investment units of the Thai Trust Fund and Thai Trust Fund (NVDR) certificates.

1.5) Issuance of Other Securities

(1) Bill “None”



Share Repurchase Program for Financial Management

From the Board of Directors Meeting No. 12/2018 held on December 3, 2018, it was resolved to approve the share repurchase project for financial management purposes, with a maximum limit of 200,000,000 baht, not exceeding 60,000,000 shares or 3.75% of the total paid capital. The said project has a project period from 17 December 2018 to 16 June 2019.

Table of results of share repurchase for financial management purposes as of December 31, 2022

No.	Date	Maximum Purchase Price	Minimum Purchase Price	Number (shares)	Total Value	% Shares Repurchased
		(baht)	(baht)		(baht)	Number of Paid-Up Shares
1	19/12/2561	2.78	2.78	41,800	116,204	0.003
2	20/12/2562	2.80	2.80	200,000	560,000	0.013
3	26/12/2562	2.76	2.68	1,500,000	4,088,000	0.094
4	02/01/2562	2.70	2.68	300,000	807,000	0.019
5	11/02/2562	2.90	2.90	193,500	561,150	0.012
6	25/05/2562	2.70	2.70	600,000	1,620,000	0.038
7	02/05/2562	2.54	2.50	4,507,400	11,342,290	0.282
8	14/05/2562	2.24	2.22	1,700,000	3,790,000	0.106
Total				9,042,700	22,884,644	0.565

1.6) Dividend Policy

The company has a policy to pay annual dividends to shareholders at a rate of not more than 40 percent of net profit after tax and after setting aside legal reserves when the company has reasonable profits and no accumulated losses. However, the dividend payment shall not affect the Company's investment plans, operational necessities and other appropriateness in the future under the best interests of the shareholders and all stakeholders, subject to the approval of the Board Directors and approved by the general meeting of shareholders.

However, the Company may contemplate paying interim dividends to shareholders from time to time if it believes it is profitable enough, and the Board of Directors must report this to the next general meeting of shareholders.

Dividend Payment Details	Year 2022	Year 2021	Year 2020	Year 2019
1. Net Profit/(loss) according to separated financial statement (Million Baht)	(247)	247	353	371
2. Number of shares (shares)	1,590,957,300 ¹	1,590,957,300 ¹	1,590,957,300 ¹	1,590,957,300 ¹
3. Annual Dividend (Baht/Share)	pending consideration	0.06	0.08	0.09
3.1 First half dividen (Baht/Share)	pending consideration	0.03	0.03	0.04
3.2 Second half dividen (Baht/Share)	pending consideration	0.03	0.05	0.05
4. Total dividends paid (million baht)	pending consideration	96	127	143
5. Dividend payout ratio (Percentage)	pending consideration	39	36	39

Notes: ¹ From the original company has registered capital 1,600,000,000 baht, divided into 1,600,000,000 shares. Later, on December 17, 2018 - June 16, 2019, the company has a project to buy back 9,042,700 shares, thus leaving the company remaining the number of shares to pay dividends. 1,590,957,300 shares

² The dividend payment for the second half of the year 2021 must be approved by the 2022 Annual General Meeting of Shareholders before it can be paid.



2.) การบริหารความเสี่ยง

Risk Management

2) Risk management

2.1) Policy and Risk Management Plan

Risk management Policy

The Board of Directors has created the relevant risk management system for the entire corporation in order to follow the principal of good governance and use as a management tool to increase the chance of success according to the company's objectives. All directors of the company, executives and employees are the owner of the risks which are responsible in specifying incident, analysing and assessing chance and the severity level of impacts which result in the company's business operation and specifying the limit measures, protection, including the risk control as an operation framework for risk management procedures to the entire corporation and in accordance with the objectives, goals and strategic plans.

Risk management plan

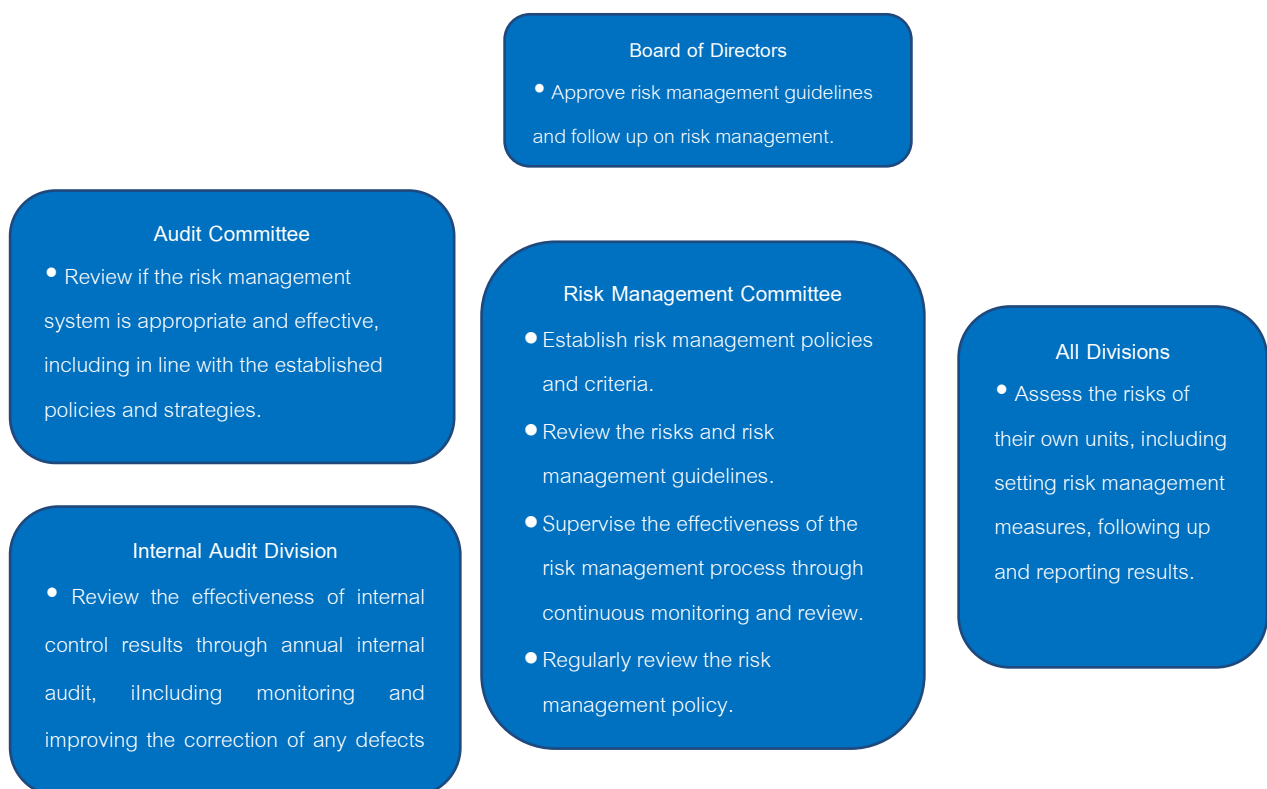
The Board of directors of risk management have established the framework for risk management as follows: -

- 1) Promote all executives and employees to build the risk management culture for entire company through the learning, understanding process, consciousness, and co-responsibility.
- 2) Establish the procedures, guidelines and rules related to the proper and efficient risk management having a standard for supervision of risk control and reduction of risk impact.
- 3) Identify the company's risks by analysing, assessing, prioritizing, and managing that risk, including control, follow up and assessment and always report the risk status to the Board of Directors as well as communication thoroughly and internally regarding the risk.
- 4) Every division is required to report the incident (Incident Report) which could affect or cause damages to the company by identifying the likelihood and in case it happens, what the impact is.
- 5) Have the important risk indicators, both quantity indicator e.g. income, revenue/ loss, the increase of expenses and the quality indicator e.g. the bond between employees and the company, company reputation and the company's image or the level of the customer's satisfaction.
- 6) Specify the maximum risk or ability to handle the risk (Risk Appetite) from risk incidents to limit the damages which could happen to the company or stakeholders.
- 7) Specify the incident which could happen in the warning level so that the responsible party in risk management can implement the risk management immediately to reduce the chance or mitigate the impacts which could happen.
- 8) Establish work procedures in writing so that the executives and employees can follow in order to supervise, control and manage operational risk.
- 9) Follow up, inspect and control the company's risk management to be in line with the policy.

Structure or responsible division

The company is aware that risk management is a part of good government and an important foundation to achieve the goal as planned by indicating the risk management as a part of annual business plan which the company will operate under the acceptable risks.

The structure of company's risk management is composed of the Board of Directors who will consider and appoint the Board of Directors for risk management who can consider and appoint working committee for risk management as deemed appropriated. The Inspection Board of Directors and Internal Inspection Division will support the work of the Board of Directors for risk management and perform work for the company's risk management. All executives and employees are the owner of risks being responsible to identify and assess the risk of divisions they are responsible for, including specifying the proper measures to manage the risks.



2.2) Risk Factors for the Company's Business Operations

Systematically manage the risk

The company has specified the objectives or goal of systematically manage the risk in 4 important issues as follows:

1) Create strong culture in risk management as the risk management involves every employee, promote everyone to have consciousness and value related to risk, realize and understand the uncertainty that is the important foundation to create the efficiency in risk management of the company.

2) Develop the risk management for decision making of company in every level, making important decision from establishment of policy and business strategy, work planning, budget, investment, project management, operation, operational results management and support the company in all aspects.

3) Support to improve and continuously develop the risk management. The risk is a condition of uncertainty. The Continuous learning, development and improvement in risk management is important to be conducted from the changes affected to the company's business operation

4) Create documents related to the company's risk to build the confidence through the disclosure of information related to the risk

Level of the risk

1) Company level – There is risk management causing from main activity in business e.g. strategy risk, main work plan or management policy, including the risk from internal and external factor which majorly affects the business operation.

2) Division level – There is risk management causing from the operation in each division covering the risk factors which involves the work procedures, equipment usage, technology. The staff who are working at the company have reviewed the risk affecting the achievement of objectives and the company's goal, including specifying the protection measures and reduce the chance, and the impacts which may arise.



Assessment and identifying risk management

The company assesses, ranks, and manages the risks which allow the Company to consider the acceptable risks for the efficient business risk management as follows :

Impact	High	7.2 Cyber security Risk	1.1 The risk of increased competitiveness	
		5. Construction risks that may affect neighboring communities and environment	2.1 Labor Shortage Risk	
		7.1 Risk from the situation of the epidemic of COVID-19	2.2 Talent Shortage Risk	
	Medium	2.3 Operational risks associated with personal data protection	1.2 Risk from non-diversified of construction works	
		4.1 Risk from changing rules and regulations related to building construction and other work.	3.1 Wage Increase Risk	
	Low	3.3 Risk of being unable to charge	3.2 Risk from rising construction material cost	
		6. Securities holder investment risk		
		Low	Medium	High
		Likelihood		

In 2022 , the Risk Management Committee held 4 meetings to determine the framework of risk management to suit the business of the Company, early warning, preventive measures, as well as reviewing and creating risk management tools as follow:

1) Strategic Risk

1.1) The risk of increased competitiveness

The Fiscal Policy Office, the Ministry of Finance forecasts that the Thai economy will grow by 3.4% annually in 2022 (predicted range: 2.9% to 3.9%), aided by the recovery of the tourism sector, the easing of international travel restrictions, and the resolution of the 2019 Coronavirus Disease outbreak. However, the cumulative effect of the epidemic continues to impact the construction industry, including the fact that at the end of February 2022, the war between Russia and Ukraine caused a portion of the supply of oil and major building materials to disappear from the market, resulting in rising transportation costs and prices for major construction materials. The domestic construction industry is already regarded as a highly competitive service industry, and the high level of housing stock has caused the investment value of real estate developers to decrease in residential construction, therefore increasing competitiveness respectively. Nonetheless, the Company has control over this risk by only bidding on projects for which it has construction management knowledge and competitiveness.

1.2 Risk from non-diversified of construction works

From the Company's previous operations, it can be seen that the Company received a lot of work from the private sector, especially residential projects. There were some other types of construction works such as office building hotel etc. However, the Company has controlled such risks by regularly participating in construction auctions for the works of the private sector to accumulate workload in hand and to increase the works (Backlog). The Company has been selected to work with leading real estate developers listed on the stock market and a limited company with a good reputation and stable financial status.

Moreover, the Company has diversified the business from the construction business by expanding the operations to other related businesses in order to increase revenue recognition and revenue security to the Company by establishing the subsidiary, the detail as follow Section 1. Structure and Business Operation Service.

2) Operational Risk

2.1) Labor Shortage Risk

Labor *shortage* is a significant problem in the construction sector. As a result of the construction industry's continuous growth, labor is in great demand and wages are higher than normal. In addition, large infrastructure government projects require a greater amount of construction workers, which may increase the risk of a labor shortage, create construction delays, and prevent the project from being delivered to the client as stipulated in the contract. In order to manage this risk, the Company has taken the following actions:

- Towards the end of 2022, the Company directly employed a total of 2,239 employees, including Thai and foreign labors;
- Providing remuneration commensurate with the abilities and expertise of each worker in accordance with current market circumstances and the cost of living;
- Offering skill training for technicians in each profession in order to develop the skills, knowledge, talents, and potential of employees in order to boost work efficiency;
- Adjustment of the wage rate for employees who have passed the technician knowledge and skill test after receiving training, so that their wages reflect their knowledge, skills, and abilities;
- Improving employee morale by promoting hourly employees to monthly employees; and
- Taking care of the welfare and well-being of employees by emphasizing a safe place to stay, a pleasant atmosphere, and high hygiene in order to encourage and create an environment in which employees would be motivated to continue working for the Company.

2.2) Talent Shortage Risk

To maintain business operations in a highly competitive environment, the operation of a construction company requires people who have all the required skills, knowledge, aptitude, expertise, and work experience. There is a risk of a shortage of skilled workers due to the current presence of several existing and new

competitors. Therefore, the Company is determined to continuously develop the potential and competence of personnel at all levels, consisting of conducting personnel recruitment, selection, and development by providing training and development in both the construction and management fields in order to prepare for and support the Company's expansion, as well as training engineers in key positions in various fields and reserving them to fill vacancies. The Talent Management Initiative and the Company's openness to accept interns from both vocational and higher education institutions attract students and recent graduates from a variety of educational institutions to continue working for the Company.

In addition, the Company has appropriate remuneration and welfare management to motivate personnel to work for the Company and enable it to become a leader in the construction industry, including the implementation of various technologies to support agile and fast work, reduce work processes for employees, and boost employee happiness.

2.3) Operational risks associated with personal data protection

Personal information is considered critical data and represents a risk that organizations must effectively manage. The Company acknowledges the significance of protecting personal information as an employer, contractor, partner, tenant, lessor, visitor, and any person who may be associated with the Company's operations, such as a director, shareholder, agent, and worker in the case of a juristic person. In order to ensure compliance with the Personal Data Protection Act B.E. 2562 (2019), which will be enforced in its entirety on 1 June 2022, the Company has enacted a personal data protection policy with the objective of increasing the rigor in data security measures, as well as enhancing various operational procedures, arrangements for personal data protection officers, implementing internal control systems and supervision, as well as operations of the collection, use and disclosure of personal data.

The Company conducts business with ethics, recognizes and attaches great importance to compliance with relevant laws on the protection of data subjects' personal data, the privacy of data subjects, and the Privacy Policy. The Company has operated in compliance with Section 23 of the Personal Data Protection Act B.E. 2562 (2019) and other pertinent sections. It describes how to handle personal data of data subjects, including collection, use, disclosure, recording, modification, transfer, deletion, data destruction, and access to data via both online and other means, as required by law.

3) Financial Risk

3.1) Wage Increase Risk

Labor costs are a significant expense for the construction industry, and the government's Minimum Wage Increase Policy will inevitably have an effect on the Company's expenses. However, the Company has taken measures to mitigate the impact of the wage increase by implementing new technologies, tools, and machines to replace the use of labor, by providing continuous skill training for skilled technicians to increase their skills, knowledge, and abilities, and by controlling construction costs and evaluating wage increases in a manner consistent with the current situation.

3.2) Risk from rising of construction material costs

Construction material is considered a significant construction cost. The change in construction material prices inevitably affects the cost of construction. In the past, the group of construction materials that have a tendency to increase in price are the main construction materials used in a work of government projects such as, concrete products, cement, lightweight concrete, steel and steel products. The Company therefore closely monitors the movement of important construction materials prices. If it is found that the price of construction materials will have an increasing direction or trend. The company will order from the supplier in bulk, which gives the company the bargaining power to be possible to buy at a lower price as well. Alternatively, the company may have a memorandum of agreement to purchase construction materials in advance with a supplier. The fixed price will help the company to control the cost of construction materials. Also, it's not a burden to store materials that are not yet in use.

3.3) Risk of being unable to charge

The construction business has a risk of not being able to collect payments from customers or unable to collect at the specified time since the bill must be aligning with the progress of the construction work. From the risks, it may affect the Company's liquidity and working capital. As the Company is aware of these risks, the company has a strict policy to selection customer by considering the financial position, operating results, reputation and history of the management before agreeing to accept the job.

4) Compliance Risk

Risk from changes in rules and regulations related to building construction and other work.

Running a construction business involves a number of laws including related to expertise in various professions with the law whether it is a professional law, architects and engineers, labor law, environmental law and accounting standards, etc. From these laws and regulations, the company must operate in accordance with the requirements in its entirety which if not complied with or incomplete may cause damage to the company. Therefore, the company has guidelines to reduce such risks. There is a policy to strictly operate the business in accordance with the regulations of the relevant departments including establishing an agency to take care of responsible for tracking and check various actions to keep up with the changes all the time.

5) Social and/or Environment Risk

Construction risks that may affect neighboring communities and environment

The company is aware of taking part in taking care of society and the environment. This is a policy that the company has continuously focused on. Therefore, the Company places importance on taking care of nearby communities and the environment surrounding the construction site to minimize the impact of the construction. Actions have been taken to reduce the impacts on neighboring communities and the environment, such as controlling pollution. caused by the construction to meet the standards prescribed by law such as noise, dust, waste water, etc.

In addition to taking care of the impact of the construction, the company also has a policy to build relationships with communities adjacent to the construction site by coordinating with community leaders to survey the community area and conduct an opinion questionnaire on environmental issues as impacts from construction, concerns for the social and environmental from construction and activities that the community wants to support. The company will coordinate with the community in order to build good relationship between them.

6) Securities holder investment risk

Investing in the Company's securities may pose the risks to securities holders. This is caused by the return that is not as expected from the investment. Both terms of profits that exceed investment and/or returns in the form of dividends. In the case of profit that exceeds investment, there are several factors related to the Company's performance. Securities liquidity economic trends both domestically and internationally investment situation in each period political stability, etc., most of which are external factors that the Company cannot control. For returns in the form of dividends, it is a direct result of the Company's operations at each period. Therefore, securities holders may receive returns that are more or less than expected.

The Company has disclosed a Management Discussion and Analysis (MD&A) (details under section 4), including risk factors and management as discussed above. There are also other risks. which is a factor that affects operations and dividend payment and unforeseen events. However, shareholders should consider and study various factors that have an impact carefully before making a decision to invest in securities.

7) Emergency Risk

7.1) Risk from the situation of the epidemic of COVID-19

The company has a risk management system for managing both short-term and long-term crises. In addition, there are continual preventive measures and assistance to employees in the following areas:

- The company has prepared a backup plan for Business Continuity Planning (BCP Covid 19) is a plan that defines the steps and clear operating procedures throughout the organization to support and restore the operations of the agency to normal. When there are events causing the normal operation to not operate according to the normal plan. All employees must be aware of the roles and duties of each unit. To ensure that normal operations can continue to operate without interruption until causing damage to business

- The Company has implemented measures to prevent the spread of the epidemic and deal with COVID-19 by closely monitoring the situation of the COVID-19 epidemic, as the government has announced that COVID-19 will no longer be considered a dangerous communicable disease and will instead be designated as a contagious disease to watch out for.

- Assign nurses to randomly check ATK Rapid Test for employees at various job sites of the company. Once found detected, they will isolate the infected person and coordinate to be treated in the hospital

- Established a green-level COVID-19 community isolation at Plant Bang Sai, Ayutthaya to reduce the risk of spreading COVID-19 in worker camps/camps. Reduce the number of infected people in Thailand to help company workers with symptoms of infection to be treated, safe and reduce the number of deaths.

7.2) Cyber security Risk

Currently, the Company's information technology system supports various business operations. Therefore, it is necessary to manage information technology security to protect personal data in accordance with the law. The company has established a working group. acting in policy making and planning operations in various systems to ensure that the Company's business processes do not violate the relevant laws;

PDPA Policy

Syntec Construction Public Company Limited recognizes and values privacy and the security of personal information of users from the Company's services (user means including those registered as users on the Company's systems, regardless of any channel, and/or in the case of visitors various online media channels of the Company) recording, storing, disclosing, transferring, maintaining personal information of the Company The purpose is to build a user's history base for receiving the company's services. To provide users with the best service and to improve the efficiency of the company's service. User information will only be collected as necessary under the applicable legal regulations in Thailand.



The Company places an importance on transferring knowledge to employees who are designated as personal data protection coordinators and observers of each party, preparing a variety of permission letters, and training with the PDPA legislation working group. In 2022, the Company has followed its policies and plans. Nonetheless, the Company is committed to continuously oversee and monitor such activities to ensure compliance with applicable laws.

3.) การขับเคลื่อนธุรกิจ เพื่อความยั่งยืน

Driving Business
for sustainability

Message from Chief Executive Officer



The year 2022 is considered another year of success in the sustainable development operations of Syntec Construction Public Company Limited, which can be one of 66 listed companies on the Stock Exchange of Thailand with outstanding performance in 3 areas:

- 1) List of sustainable stocks (THSI) for the year 2022.
- 2) Excellent corporate governance rating or 5 stars level.
- 3) An assessment of the quality of the shareholders' meeting with a full 100 points.

The company has been able to maintain the standard for the 6th consecutive year, which reflects the company's operations that are aware of the importance of all aspects in terms of economy, society, and environment.

In terms of economic aspects of this year has been hit hard by the Covid-19 pandemic consecutively from the year 2021 which affected the overall economic and tourism of the country including the slowdown of investment of various sectors i.e. hotel, shopping mall, the large number of residential projects were built completely pending for sale. The conflicts of Russian and Ukraine circumstances have caused the increase of energy costs resulting the cost of construction materials remain high impacted the performance of the company (details are according to session 4 Management Discussion and Analysis: MD&A). Nevertheless, the company still gaining trust from both old and new clients through the signing of construction contracts for a total of 13 projects with a total contract value of 7,380 million baht.

And in terms of environmental and social aspects, the company continues to focus on sustainable growth through technology development, construction innovation, and employee development, which is a key mechanism in its operations to gain knowledge, ability to increase company competitiveness. This includes attention to natural resource use, environmental management, efforts to mitigate impacts at all stages of construction, and collaborating with surrounding communities with proper consideration of impacts on all stakeholders.

Finally, on behalf of the Board of Directors, executives, and all Syntec Construction Public Company Limited employees, I would like to thank all shareholders, clients, financial institutions, partners, business partners, and stakeholders who have always supported the company well. The company adheres to the intention to continue the business with determination, dedication, and motivation to the best of our ability by upholding the principles of corporate governance and good business ethics.

"To give value and stability to all stakeholders, we are ready to grow together sustainably."



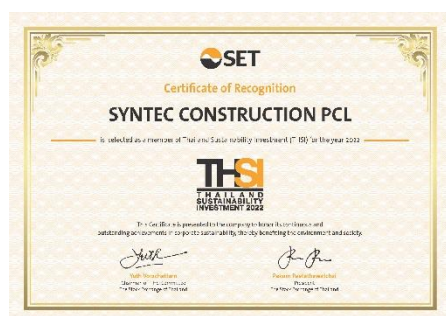
Mr. Somchai Sirilertpanich
Chief Executive Officer
Syntec Construction PCL.

Overview of Corporate Governance Performance For Sustainable Development Year 2022



AGM Checklist 2022

Acknowledge the results of the quality assessment of the annual general meeting of shareholders, 2021. The company received a full 100 points from the Thai Investors Association. It reflects that the company considers the rights of shareholders equally before, during, and after the shareholders' meeting, which such matters are important elements of good corporate governance.



Thailand Sustainability Investment (TSI) 2022

Received an award plaque for the fourth consecutive year from being selected as one of 124 listed companies listed in Thailand Sustainability Investment (THIS) 2021 or annual sustainable stock 2021, which is a list of listed companies that operate the sustainable business with due regard for the environment, society and corporate governance. It will be another option for investors who want to invest in a sustainable investment concept that uses ESG factors as a component of their investment decisions and analyzes the company's financial data to generate continuous returns in the long run



Collective Action against Corruption (CAC)

On June 30, 2020, the company received a certificate for membership renewal in Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) for a consecutive second year from the Thai Private Sector Collective Action Coalition Against Corruption. It shows the intent and determination to fight against all forms of corruption through transparent management, a good internal control system under good corporate governance, and building confidence in all stakeholders. This certificate will be valid for three years from the date of approval.



Corporate Governance Report of Thai Listed Companies 2022

Acknowledgment results of the assessment of corporate governance of Thai listed companies for the year 2021 from the Thai Institute of Directors Association, at the level of "excellent" or a five-star level. This reflects that the company places importance on the rights of shareholders, equal treatment of shareholders, consideration of the role of stakeholders, disclosure of information, and transparency and responsibility of the Board of Directors.

Guidelines for making reports

The Sustainable Development Report of Syntec Construction Company Limited (Public) ("Company") has been prepared continuously for 8-year. The scope of the report mainly covers the construction business and has a significant part of the subsidiary, which covers the economic, social and environmental aspects occurring between January 1st - December 31st, 2022, in accordance with the framework according to the criteria of the Stock Exchange of Thailand in 19 sections in the form of One Report covering the economic, environmental and social aspects.

Scope of the report

Considering the business relevance, availability of information, and the company's core performance, the reporting scope has been determined to primarily cover the construction business and disclose other key areas of the business.

Others

The company has disclosed the details and information of this report in both Thai and English in One Report format and can be downloaded via the company website at www.synteccon.com/social activities/sustainability report. This will be made available to the company's stakeholders to monitor the company's performance during the year at all times, as well as access to historical data presented in previous reports to stay informed of the company's ongoing sustainability.

3.1) Sustainability management policies and goals

The Company aims at business operation for long-term sustainable growth that shall be created from management with good governance, operation according to the Company's good corporate governance policy and emphasis on transparent and fair working; and simultaneously targets to proper benefit and growth together with all parties of stakeholders without negligence on social and environmental concern at most.

For advancement to the sustainable development of the Company, the policy has been determined under consideration on the main economic, social and environmental factors with below details.

For other information More from the person responsible for the preparation of the report:

Syntec Construction Public Company Limited

Head office 555/7-11 Soi Sukhumvit 63 (Ekkamai) Klongton Nua Wattana Bangkok 10110

Investor Relations Ms. Thitiphan Reuangpabhasap email: ir@synteccon.com Tel: 02-0262288 ext. 1831

Investor Relations Mr. Watjakorn Sanpor email: ir@synteccon.com Tel: 02-0262288 ext. 1603

Website www.synteccon.com



Economic aspect

The company strives to create stable and sustainable business growth, constantly develops and looks for business opportunities, learns cutting-edge technology to create competitive advantages to provide long-term value to shareholders and delivering construction projects that meet the standards contracted with clients (consistent with the United Nations Sustainable Development Goals SDGs: 1 No poverty / 8 Decent work and economic growth)

Practical Guidelines

- 1) Place the clients at the center to meet their needs of clients completely.
- 2) Quality and safety management, maintaining professionalism and operational excellence.
- 3) Commitment to continually create quality and construction standards and apply modern technology to business operations.

Social aspect

The Company always takes into account that the business growth can be sustainable with good social foundation and significance on social operation. The Company's social responsibility is not limited particularly to the internal personnel but also include external society, such as business partner, customer, community as well as overall environmental condition of the country. It aims to improve the quality of life of people as a whole in society (SDGs: 3 health and well-being / 16 a peaceful, fair, non-discriminatory society).

Practical Guidelines

- 1) Take care and fairly treat the staff.
- 2) Develop organizational personnel.
- 3) Oversee the staff's sanitation and safety.
- 4) Operate public interest.
- 5) Open to receive complaint and have whistle-blower protection mechanism.

Environment aspect

The Company operates the building construction under consideration on environmental impact and promotes all sectors of Thailand in natural and environmental conservation for sustainable existence. The goal is to balance economic growth while minimizing the environmental impact that is involved in project construction.

Practical Guidelines

- 1) Apply technology and innovation in building construction to contribute to reduce environmental impact.
- 2) Strictly operate business under environment-related laws and regulations.
- 3) Implement conservation, resource consumption reduction and waste reduction policy.
- 4) Build awareness and corporate culture in environmental care.

Sustainability Strategy 2022

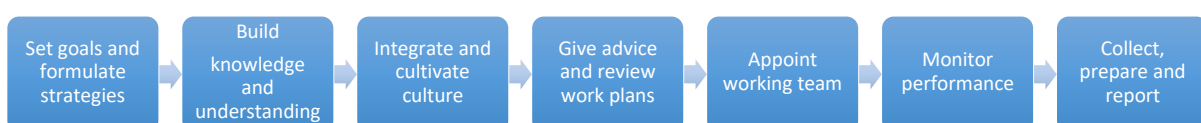
The company has taken the sustainability issues raised by its stakeholders. Analyze with good practice guidelines from various regulatory agencies. by incorporating sustainable development into the operational process (In Process) that has been approved and approved by the Sustainable Development Working Group to consider the framework, formulate strategies, and move towards the planning process for further action as follows:

- Economic, Environmental, Social and Corporate Governance Risk Management Strategies taking into account opportunities, risks and impacts throughout the business chain from upstream, midstream and downstream, including new risks that will arise in the future To ensure that the operation is transparent and fair between the companies. and all stakeholders both short term and long term
- Operational Strategy by focusing on the development and improvement of operational efficiency both in terms of economy, environment, society and governance in accordance with the international standard framework. Accepted and trusted by all stakeholders
- Business sustainability strategy by focusing on the development of employees' potential in accordance with business strategies. To increase the capacity to create shared values between companies and all stakeholders leading to further upgrading to be a sustainable business.

Driving and Monitoring Sustainability Strategy

The Company appointed “ Sustainable Development Goals Committee: SDG” to be directly responsible for pushing forward integrated efforts on sustainability while “Sustainable Development Working Team” is assigned to be the operational taskforce who reports performances related to ESG practices to the Corporate Governance and Sustainable Development Goal Committee and proposes the Board of Directors to acknowledge.

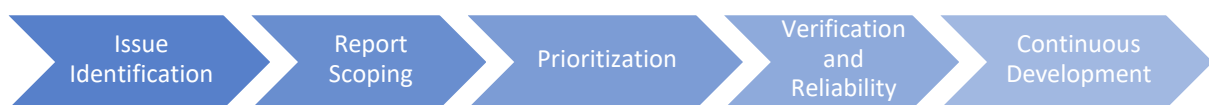
Sustainable Development Goals Committee has the following roles and responsibilities:



Nevertheless, the Company shall review the sustainable development plan annually to keep up with global change in accordance with the Sustainable Development Goals of the United Nations covering international standards and in alignment with the Company's business directions. This reflects our firm intention to conduct business with environmental, social and governance considerations as well as deliver maximum return to all stakeholders.

Evaluation and Identification of Sustainability Issues

Sustainability issues are issues that can positively or negatively affect, with significance, the Company's decision-making process, performance and stakeholders for short, medium and long term covering economic, social and governance aspects including the impact on all groups of stakeholders. The process of evaluating key issues is as follows:



Stage 1 - Issue Identification of Sustainability

The Corporate Governance and Sustainable Development Committee has a duty to evaluate and select sustainability issues by considering comments and supporting information from all stakeholders via various channels as well as the Company's risks, business strategy, impacts and expectations of stakeholders, sustainability guidelines and international sustainable development trends.

Stage 2 - Report Scoping

Scope of each issue is determined by taking into account impacts to the Company's business operations and both internal and external stakeholders.

Stage 3 - Prioritization

Selected issues will be prioritized based on opportunities and impacts to the Company and all stakeholders while the content of the report will focus on 3-5 key issues with materiality before extending to other issues.

Stage 4 - Verification and Reliability

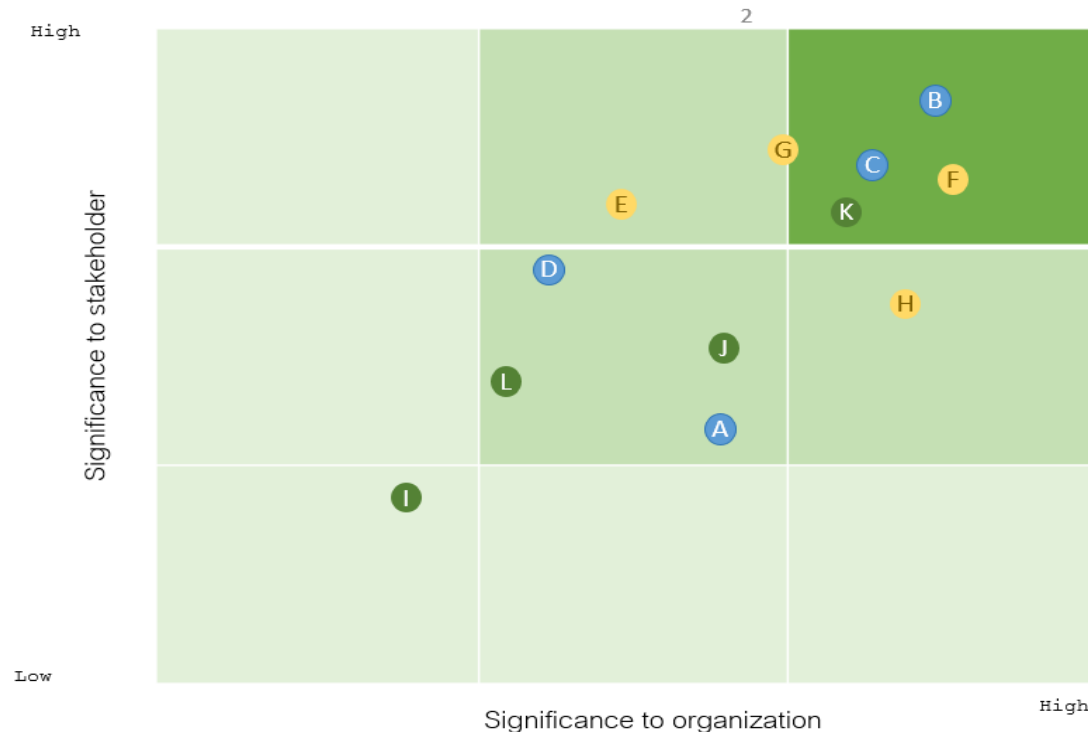
The Corporate Governance and Sustainable Development Committee plays a role in tracking and reviewing progress and sustainable development reporting as well as giving advice so that the process is complete covering material issues of the Company and all stakeholders. Disclosure of policy and other relevant information shall also be approved by Corporate Governance and Sustainable Development Committee.

Stage 5 - Continuous Development

The Company prepares the sustainable development report with the purpose to disclose important information to investors and the general public to ensure their awareness of all dimensions with the hope that the report is prepared according required standards. The Company welcomes comments and suggestions from all stakeholders through different channels such as participation in sustainability reporting awards, customer satisfaction survey, self-evaluation form for suppliers or questionnaires for report users' opinions.

Results of material assessment

Reporting Framework and Material Sustainability issues of the company



Economic Dimension

- A. Good corporate governance and code of conduct
- B. Relationship Management with Customer
- C. Relationship Management with partner
- D. Cybersecurity

Social Dimension

- E. Involvement with community development through business processes
- F. Health care and safety
- G. Fair labor treatment
- H. Respect for human rights

Environmental Dimension

- I. Climate change
- J. Efficient use of resources
- K. Waste management
- L. Energy management

The company has set goals to achieve the organizational restructuring plan during the intense competition situation. with important issues of the Company for the years 2021-2025. By prioritizing 4 important orders: 1) Customer relationship management 2) Relationship management with partners 3) Taking care of health and safety fair treatment of labor; and 4) waste management and environmental impact.

Reporting Scoping on Sustainability Issues According to Guidelines of the Company and GRI

Dimension	Sustainability Issues	Sustainability Issues	Scope of Stakeholder Impact	
	According to the Company's Guidelines	According to GRI Guidelines	Syntec	Outside Syntec
Corporate Governance	Good corporate governance and code of conduct	Good corporate governance, code of conduct, honesty and anti-corruption	<input checked="" type="checkbox"/>	Shareholders, creditors, suppliers, regulators
Economy	Relationship Management with Partners	Business innovation development	<input checked="" type="checkbox"/>	Suppliers, customers, regulators
	Supply chain management	Supplier evaluation on employment, environment and human rights		
	Customer satisfaction evaluation	Responsibility for customers		
Society	Cybersecurity and personal data security	Good corporate governance, customer privacy, compliance	<input checked="" type="checkbox"/>	Suppliers, customers, regulators
	Health and safety	employment, occupational health and safety	<input checked="" type="checkbox"/>	Social, regulators
	Fair labor treatment and respect for human rights	Fair treatment for employees and labor		
	Community and society engagement	Responsibility for community and society		
Environment	Environment management, waste management	Management of garbage, waste and pollution	<input checked="" type="checkbox"/>	Community, Social, regulators
	Efficient use of resources	Energy management, water		
	Energy management	management, use of renewable energy, use of alternative energy		
	Greenhouse gas management	Greenhouse gas management		

3.2) Managing impact on stakeholders in the business value chain

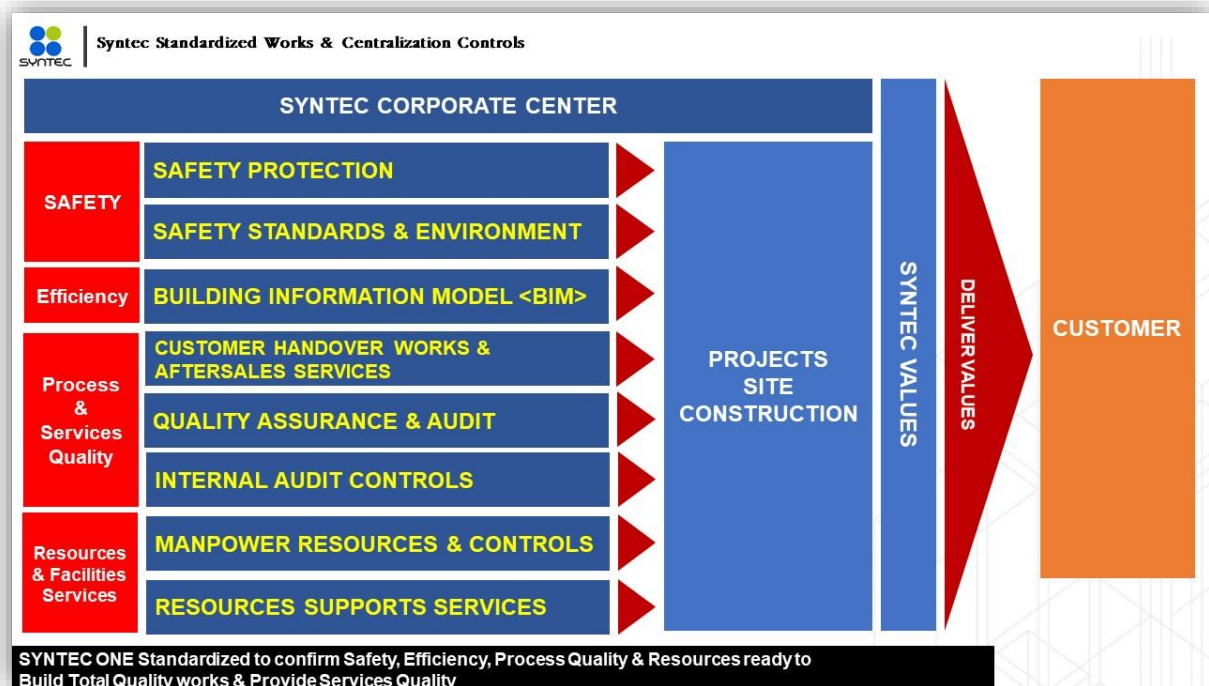
“We Build What You Dream”

The organization must be aware of the relationship between the business and its stakeholders in terms of impacts and issues that are related to each other in both positive and negative aspects. Businesses must have a management, the link of process for stakeholders to lead to the correction of negative effects and create a positive impact between businesses and stakeholders. This will lead to cooperation and creation of shared values between businesses and all stakeholders.

The company is committed to fulfilling the construction contract received from its partners along with best management of stakeholder impacts throughout the business value chain by showing the relationship of business-related activities. This reflects that the Company is ready to add value to the business through delivering value to stakeholders involved in each activity throughout the business value chain, from foundation construction to delivery of the construction work to customers as much as it can.

3.2 Business value chain analysis

In 2022, the Company established a standardized and centrally-controlled work with an emphasis on safety, efficiency in work, work process/ service quality, including supervision and procurement of labor and supporting services in various fields. The objective is to create shared value, that is, “Delivering valuable work with Syntec standards for customer satisfaction at the highest level”

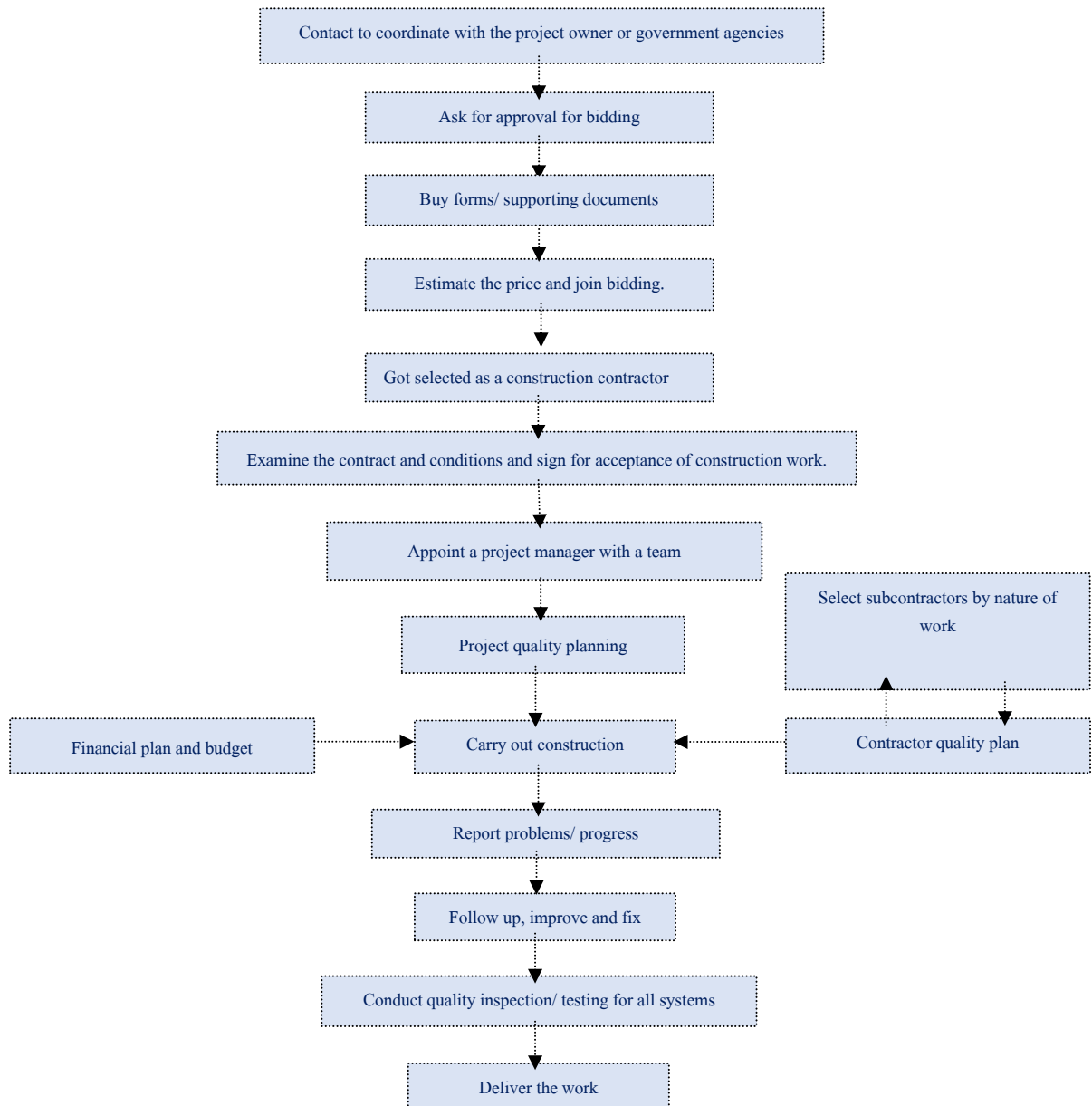


It consists of 2 types of activities throughout the value chain as follows

1) **Primary Activities** are a continuous linkage of 5 main activities according to the context of the construction business. The details are as follows:

Activities in the value chain	Relevant activity identification	Stakeholder identification
1. Work seeking activity: It is an activity that focuses on obtaining the opportunity to become a contractor to generate income for the company	<ul style="list-style-type: none"> • Contacting for works from various media or sometimes it may be a direct contact of customers. • Study of construction feasibility. • Buying a bidding form to enter the bid. 	<ul style="list-style-type: none"> • Customers (project owner) • Competitors
2. Evaluation and bidding activity: It is an activity that must be performed with caution since the construction business is a lump sum pricing (flat rate covering from start to finish excluding addition/ reduction in the future)	<ul style="list-style-type: none"> • Reproduction or estimation of construction by calculating the construction plan, material quantity, labors, engineering techniques and construction conditions from customers • Project price estimation • Submitting a bid for the project 	<ul style="list-style-type: none"> • Customers (project owner) • Competitors
3. Practical or construction activity: It is truly the main activity which uses a lot of resources, labors and time for operation, on average, about 2 - 3 years per project. And it is the part that generates income for the business.	<ul style="list-style-type: none"> • Signing of construction contracts • Construction arrangement • Material/ labor resource planning • Construction at every stage. • Follow up and inspection of quality of the work. • Billing in accordance with progress of work 	<ul style="list-style-type: none"> • Customer (project owner) • Partners, manufacturers and distributors of materials/ labor. • Subcontractors • Project consultants (inspector) • Government agencies, regulatory agencies responsible for quality control • Surrounding communities
4. Construction input procurement activity: s It is an activity that focuses on and supports relationship of suppliers who are responsible for both materials and labor.	<ul style="list-style-type: none"> • Research and development of materials that meet the contract of customers. • Efficient sourcing and procurement of quality materials/ labor • Fair procurement process without trade barrier, discrimination and in accordance with the principles of human rights 	<ul style="list-style-type: none"> • Parties who are co-innovators • Customer (project owner) • Partners, manufacturers and distributors of materials/ labor. • Subcontractors • Project consultants (inspector) • Employees who perform procurement duties • Government agencies, regulatory agencies responsible for quality control
5. Work delivery activity: It is an activity that includes finishing work which is in accordance with the work warranty contract.	<ul style="list-style-type: none"> • Full system testing • Delivery of work • After-sales service 	<ul style="list-style-type: none"> • Customer (project owner) • Partners, manufacturers and distributors of materials/ labor. • Subcontractors • Project consultants (inspector)

Flowchart showing the process of accepting a work and construction



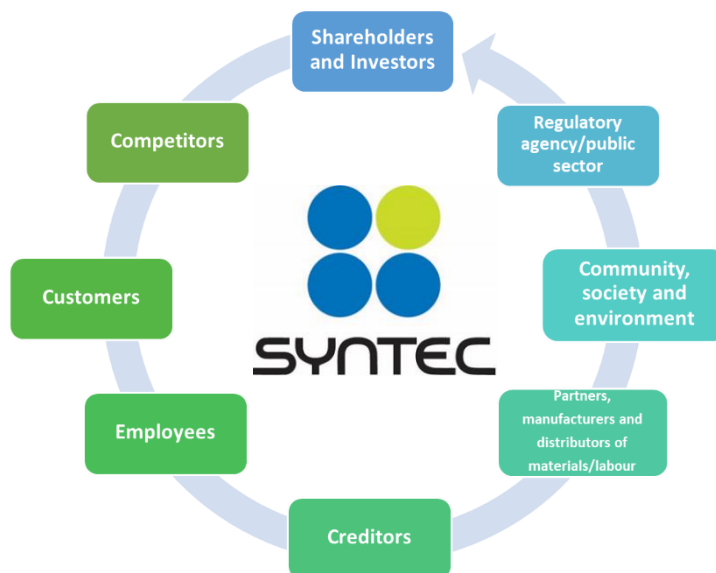
2. **Support Activities** are activities that support the main activities to achieve the goal, which are not less important than the main activities. The Company has acted carefully and followed the management basis appropriately in procurement and purchase, accounting and finance, business and development, people and digital solutions etc.

3.2.2) Stakeholder analysis in the business value chain

Policy for Opening Opportunity to Stakeholders in Participating in the Company

The Company well realizes that the stakeholders play significant role in determination of business operating direction; it therefore gives precedence to supervision and consideration on all groups of stakeholders. The opportunity shall be given to them for participation whereas the channel of suggestion, problem and complaint receiving shall be arranged under precedence and pleasure on opinion listening and sharing for suggestion that will be gathered and screened for reporting to the Board of Directors, and consideration and review on working guideline to equally meet demand, and expectation of each group of stakeholders.

The company can identify stakeholder groups involved in the operations of various processes. by considering the assessment of the level of involvement of the stakeholders both in terms of importance affecting the company and its operations and the impact of the Company's operations 8 groups of stakeholders can be identified as follows:



Framework of Action towards Stakeholders

1) Identification and analysis of stakeholders

Organize key stakeholder and minor stakeholder groups to analyze risks and impacts directly, indirectly, and appropriate channels of participation in shaping sustainability issues together.

2) Listening and participation

Organize both online and offline communication channels including face-to-face meetings. by staff who are directly responsible on a regular basis including a channel for receiving suggestions and complaints, surveys of needs, satisfaction and engagement. Conducting group discussions, meetings and activities together according to regularly scheduled processes and activities

3) Response

Determine processes to respond to needs and complaints in each group appropriately and concisely, with full communication or disclosure. enough and timely. In addition, a process for supporting and analyzing the obtained data is defined leading to further development of internal process

Stakeholder Analysis in the Business Value Chain

The Company has operated a business taking into account "Stakeholders" involved with the operations of all groups of the Company, taking into account both positive and negative impacts that may occur.

The Company therefore has a process to create participation in order to create ties and meet the expectations of the stakeholders in each group as follows:

Stakeholders	Expectations of Stakeholders	Response to stakeholder expectations	Communication and channels
1) Shareholders and investors	<ul style="list-style-type: none"> Stock price rises. Have good dividends The company has continuous growth, stability and sustainable development. Disclosure of information accurately and in a timely manner Good corporate governance, transparency and accountability 	<ul style="list-style-type: none"> Perform duties with integrity as well as any action with care and fairness to all shareholders. Do not seek benefits for oneself and others by using any information of the Company that has not publicly disclosed and do not take any action that may cause a conflict of interest with the Company. Promote anti-corruption in all forms 	<ul style="list-style-type: none"> Organize the Annual General Meeting of Shareholders according to the AGM Checklist standard. Hold analyst meeting Annual Report and 56-1 One Report Company website Various communication channels such as telephone, line, facebook Company website and YouTube channel Whistle Blowing
2) Employees	<ul style="list-style-type: none"> Receive compensation and benefits that are fair and on par with the same business Career advancement and stability in the work Have good working welfare Employee potential development Safety and Good working environment Welfare, affordable rooms, safe and convenient travel Fair treatment of employee's non-discriminatory respect for human rights 	<ul style="list-style-type: none"> The Company has a policy to take care of compensation which is consistent with performance of the Company in short and long terms, including assessment using a Balance Scorecard. Provide employee welfares such as provident fund, social security fund, medical expenses, etc. There is a training plan to promote the potential of employees. There is a human rights management guideline on recruiting, which the Company will adhere to the ethical principles of recruiting without discrimination of race, religion, skin color or sex. The suitability of responsibilities on a case-by-case basis is considered. A room was built near the head office. at an affordable price To help employees to make it easier to travel to work 	<ul style="list-style-type: none"> Employee meetings and sub-segment meetings Good relationship building activities among the company's employees, such as having a mentor to teach new employees Songkran activities, New Year's work, Employee relations activities A survey of employees' opinions on the work environment and employee engagement with the company (Employee Engagement Survey) Provide opportunities for employees to participate as volunteers in various social contribution activities Various communication channels including telephone, LINE, Facebook, company website and YouTube channel Whistle Blowing

Stakeholders	Expectations of Stakeholders	Response to stakeholder expectations	Communication and channels
3) Customers	<ul style="list-style-type: none"> Obtain quality work according to the agreement stipulated in the contract. Receive work on time as specified in the contract Receive good work within the specified budget. 	<ul style="list-style-type: none"> Deliver quality works and services that meet standards and strive to continuously raise the standard of construction. Deliver the work on time as specified in the contract. Arrange for a customer satisfaction assessment. 	<ul style="list-style-type: none"> Attending meetings with customers (Project owner) Inspection of the construction site of the Company executives. Customer satisfaction survey Various communication channels including telephone, LINE, Facebook, company website and YouTube channel Whistle Blowing
4) Partners, manufacturers and distributors of materials/labour.	<ul style="list-style-type: none"> Allows all partners to offer work price/ selling prices to the Company with transparency, fairness and equality to all trading partners. Being a good partner and having a long-term relationship Payment on schedule 	<ul style="list-style-type: none"> Have a policy to treat business partners with fairness; arrange for a transparent and accountable selection of partners; follow the framework of honest competition. Make a suitable contract format. The Company aims to develop knowledge with partners and maintain a good relationship, set a clear objective on quality of products and services that are worth the money. Pay the partner on time according to the payment terms as agreed 	<ul style="list-style-type: none"> Arranging a meeting between business partners and management of the Company Opportunity to visit the company's business such as Site Visit Various communication channels including telephone, LINE, Facebook, company website and YouTube channel Whistle Blowing
5) Competitors	<ul style="list-style-type: none"> Free business competition Conduct business fairly 	<ul style="list-style-type: none"> Practice within the framework of good competition. Do not seek competitors' confidential information. Do not make any malicious allegations or damage reputation of a commercial competitor. 	<ul style="list-style-type: none"> Various communication channels including telephone, LINE, Facebook, company website and YouTube channel Whistle Blowing

Stakeholders	Expectations of Stakeholders	Response to stakeholder expectations	Communication and channels
6) Creditors	<ul style="list-style-type: none"> Financial discipline and debt repayment ability 	<ul style="list-style-type: none"> Pay the debt to creditors in accordance with the specified terms To repay the loan, interest and liability for collaterals or guarantees, the Company strictly adheres to any contract or conditions that have been agreed upon. When there is a significant event which affects the financial position and may affect the debt due, the Company will notify creditors in order to jointly find ways to prevent damage or fix it. Strictly follow the conditions set by creditors. 	<ul style="list-style-type: none"> Various communication channels including telephone, LINE, Facebook, company website and YouTube channel Whistle Blowing
7) Community, society and environment	<ul style="list-style-type: none"> Operate the construction with safety and minimizing impact on the community, society and environment. Prevent or reduce pollution caused by construction. Efficient use of resources. 	<ul style="list-style-type: none"> Formulate a construction policy that takes into account the community, society and environment as and strictly abide by the relevant laws. Take action to prevent accidents, control operations and waste emissions to be within standard values. Environmental quality measurement in various projects under construction meet the standard and does not affect neighboring communities Regularly support social, community and environment constructive activities. Listen to opinions and suggestions from communities around the project site to find ways to mitigate potential impacts, including action to resolve complaints upon receipt from the community. 	<ul style="list-style-type: none"> Regular surveys and field visits for meetings with leaders of neighboring communities. Participate in activities and projects continuously and regularly. Various communication channels including telephone, LINE, Facebook, company website and YouTube channel Whistle Blowing.
8) Regulatory agency/ agency public sector	<ul style="list-style-type: none"> Compliance with requirements, rules, laws in all dimensions. Providing information or taking action in various fields with accuracy, appropriateness, and timeliness. 	<ul style="list-style-type: none"> Comply with the laws and regulations Against all forms of corruption Provide good information and cooperation when requested by regulators. 	<ul style="list-style-type: none"> Preparation of reports or disclosure of information and complete and timely information. Participation in activities and projects continuously. Complaint Channel (Whistle Blowing).

3.3) Environmental Sustainability Management

3.3.1) Overall Outcome and Performance Results Related to Environmental Management

Environmental Offenses



Project to reduce energy use and natural resources

ลดการตัดต้นไม้		75	ต้น
ลดการปล่อยก๊าซ CO2		2,992	กิโลกรัม
ลดการใช้น้ำ		114,400	ลิตร
ลดการใช้เชื้อเพลิง		6,160	ลิตร
ลดการใช้พลังงาน		17,600	กิโลวัตต์

Waste management



3.3.2) Environmental Management Policy

The Company aims at operation under awareness of social responsibility such like the Company's vision on "leadership of construction industry with effective continuous development on quality, time, expense, safety, social and environmental responsibilities". In addition, continuous work process shall be improved to prevent pollution and contingent impact as well as conservation of natural resource, energy consumption reduction as well as building social responsibility awareness of its staff.

Practical Guidelines

- 1) Manage under target to prevent non-environmental impact and continuously review and evaluate the Company's operating result in the meantime.
- 2) Strictly observe environment-related laws, requirements and practices.
- 3) Select to apply technology and operating procedure with environmental standard under consideration on volume control and pollution treatment prior to dump.
- 4) Build environmental preservation awareness to all levels of staffs under responsibility and campaign the mutual consumption of resources for maximum benefit.
- 5) Review the implementation in environmental management in deadline, leading to continuous improvement and action.
- 6) The Company shall give precedence to environmental management specifying the topic of construction environmental assessment as part of satisfaction evaluation form of the project owner that employs the Company to construct so that the acquired assessment result shall be applied as the development and improvement guideline of the Company's operation.
- 7) Properly and transparently disclose the Company's environmental information via channels as appropriate.
- 8) Regularly support activities that take part in environmental promotion.

Assessment of Environmental Impact

This is to ensure that all the Company's operations and activities are carefully considered in terms of the impacts in economic, social and environmental aspects, including ecological impacts and possible changes to natural resources. Also, the purpose is to define measures of environmental impact, mitigation guidelines and occupational health and safety appropriately, adequately and efficiently.

Operational guidelines

The company has a policy to conduct construction business that takes into account the potential impact on the environment and neighboring communities by strictly complying with relevant laws and regulations including the development of operational processes. Bring technology and innovation to increase work efficiency and reduce the impact on the environment and neighboring communities as much as possible.

The Company has quantitative environmental goals in terms of air quality, noise level and water quality from construction. that must comply with the requirements of the regulator as follows:

Target quantitative	Air quality						Sound level		Water quality		
	TSP (mg/m ³)	PM -10 (mg/m ³)	CO (ppm)	SO ² 24Hr (ppm)	SO ² 1Hr (ppm)	NO ₂ (ppm)	Leq 24 hr. dB(A)	Lmax dB(A)	pH	BOD (mg/l)	(TSS) (mg/l) Oil & Grease (mg/l)
Standard	0.33 ^{2/}	0.120 ^{2/}	30 ^{1/}	0.120 ^{2/}	0.300 ^{3/}	0.170 ^{4/}	70.0	115.0	5-9	≤20	≤ 30 ≤20

Measures to prevent environmental impacts

1. Physical environmental resources

1.1) Topography

During the construction process, the soil will be excavated for foundation construction and for utilities underground. So, it may cause significant changes to the terrain. Therefore, there are preventive measures as follows:

- Construct the building according to the specified plan and legally.
- Tidy up the construction area and material storage
- The fence has a height of 6.00 meters, using galvani sheet material (Metal Sheet), along the entire fence line of 6.00 meters, fixing the frame with steel boxes every 3 meters distance around the construction area. The front is the entrance. There is a solid closed door of the project site that can be opened and closed.



1.2) Soil erosion



In the process of foundation construction, where soil digging/ drilling must be performed for piling and the project's utility system, to prevent soil erosion, there are preventive measures as follows:

- Design to have a system to prevent soil collapse, consisting of sheet piles on the 4 sides of the land area as a temporary soil barrier to prevent soil movement.
- During the rainy season, a channel must be dug around the borehole or well to divert water from the dug area. And in the borehole or well, water must be drained from the borehole or well to prevent a change in the soil condition which may be risky for soil erosion.
- Do not pile soil around the mouth of the open hole by keeping the pile away from the mouth of the hole not less than the arm of the excavator.
- For the pile of soil that has to be left for more than 3 days, it must be adjusted to the slope appropriate for the soil type to prevent collapse from disturbances in working conditions or from the load of water absorbed in the soil.
- The temporary road used in the project is constructed as a concrete road or paved with steel sheet to reduce the effect caused by vibration

1.3) Air Quality

There are measures to prevent the impact of dust and air pollution and meet the standards set by law, including:

- Dust shields are installed along the entire height of the building under construction and must be kept in good condition throughout the construction.
- Dust shields are installed along the entire height of the building under construction and must be kept in good condition throughout the construction.
- Arrange for construction workers to clean the construction site on a daily basis, especially the floor of each construction building to reduce dust accumulation and to sprinkle water before sweeping to reduce dust dispersion.
- Provide to cover construction materials such as soil, stone, and sand piled up on the project site to prevent the spread of dust.
- Arrange for workers to sweep and clean the roads within the construction area, including the area in front of the project entrance and exit by sprinkling water before sweeping every time.
- Requires that trucks entering and exiting the project area must cover the pickup trucks to prevent the spread of dust and the spillage of soil and construction materials.
- Provide a wheel washing point at the exit of the project where every vehicle before leaving the project area must wash the wheels in order to avoid the dirt on the wheels falling on the road.



1.4) Noise and Vibration



- Build a dust- and sound-proof fence, which is a steel frame on the outside, is a 2-meter high galvanized steel sheet around the project construction area with a door to enter and exit the project, which can reduce the noise level by about 15-22 dB(A).
- Close the entrance-exit doors at all times, except during the passage of vehicles.
- Choose a foundation construction method using bored piles with low noise levels.
- Choose technology and tools with low noise levels for both construction and soil work.
- Set up a specific area by partitioning it into rooms for noisy activities such as cutting and grinding.
- Regularly maintain and maintain tools, machinery, and construction equipment to keep them in good working order.
- Do not carry out activities that cause noise to disturb neighboring residents between 18.00 -08.00 hrs. of the next day.
- In the event that the noise level is found to have a disturbing effect on the neighboring residents, adjust the construction methods and/or find measures to reduce the noise level to reduce the impact on the neighboring residents.
- Limit the speed of vehicles that transport construction materials and equipment into the project area at 30 km/hr in the community surrounding the project.
- Dig the soil in a Trench along the boundary of the construction site on the side adjacent to the neighboring buildings to cut off the transmission of vibration waves at the ground level from the origin to the neighboring areas. Prior to construction, there must be a billboard with information about the

project details along with the telephone number of the responsible project staff who can contact them if they wish to make a complaint.

- There are engineers to closely supervise the construction and control the construction according to engineering principles.

1.5) Water Quality



The company has measures to deal with wastewater generated from construction activities and from the consumption of construction workers with the following measures:

- Control workers not to dump solid waste into pipes or drains.
- Once the main drainage system of the project is constructed, the wastewater from the construction activities will be discharged into the main drainage system of the project, which will periodically have water reservoirs. Garbage is trapping before discharging into the public drainage system.
- Provide adequate restrooms for construction workers with the treatment of wastewater generated by toilets before draining into public drainage systems.
- Controlled wastewater from cleaning into drainage ditches and sewage water is treated with prefabricated septic tanks.
- Install a prefabricated septic tank, septic-filter, aerated for wastewater treatment from toilets.

2) Biodiversity

The company's construction activities take into account the impact that may affect the environment surrounding the construction site, whether it is trees, plants, or living things in nature. Therefore, the company has various preventive measures in accordance with the standards set by relevant laws and regulations.

When a company has to conduct business in a biodiversity area, an emphasis is placed on the principles of avoidance, reduction, rehabilitation, and compensation, while encouraging participation with stakeholders, particularly the communities surrounding the project, to maintain safety biodiversity and minimize the impact. The procurement section of the organization is responsible for selecting construction supplies that do not come from controversial or environmentally harmful sources for use in the construction of various projects.

3) Value of Human Use

3.1) Land Use

Carry out the construction of buildings strictly in accordance with the requirements of the relevant laws within the boundaries of the construction site without invading the public land or other people's land.

3.2) Transport and Traffic

The following actions have been taken to reduce traffic impacts around the building site:

- Provide security officers to take care of and facilitate traffic at the entrance-exit of the project.
- Provide project nameplates and arrows showing directions in and out of the project in front of the project.
- Provide parking spaces and storage of construction material piles in the project area and prohibit parking and storage of construction materials piles on public areas.
- During the period when there is a large number of trucks from transporting cement or soil to and from the project, traffic management planning must be planned in advance to prevent trucks from waiting to enter the project on public roads which will cause traffic congestion.
- Provide a shuttle bus to transport construction workers between the workers' houses and the construction site.
- Provide project administrators to coordinate project work plans and comprehend the concerns of surrounding residents on a regular basis, as well as telephone numbers to contact nearby people to report problems, which will help to alleviate nearby residents' concerns.
- Assign trucks to enter and exit the project area only outside peak hours.

3.3) Utilities

Since the construction area has a demand for electricity and water, whether it is for consumption, measures are taken as follows.

- Provide workers with adequate clean water.
- Provides construction workers with clean and hygienic tanked drinking water in sufficient quantities to meet their needs.
- Remind workers to use water sparingly and supervise workers to turn off taps when they don't need water.
- Remind workers to use electricity economically and be careful when connecting wires and using electricity to prevent short circuits.
- Flammable substances used in construction must be kept enclosed in a designated area. Hand-held fire extinguishers are available in the construction site in an area that can be easily accessed in case of emergency.

3.4) Drainage and Flood Prevention

The company has taken measures to prevent problems from drainage from the construction site, therefore, measures are as follows:

- Construct ditches and sediment cisterns around the construction site to keep water from the outside from flowing into the site and to keep water from flooding the site from washing away sediment and causing sedimentation to be released into public sewers first.
- Prepare a water pump for pumping rainwater that has fallen into the open ground for the construction of the foundation to rest in the sludge dewatering pond before discharging it to the public sewer.
- Regularly dredging the sludge in the sump as appropriate for efficient use.
- Check for blockages of sewers within the project and public pipes in front of the project. If a blockage is found, dredging will be performed.

3.5) Solid Waste Management

The Company has taken action on solid waste generated from construction activities and generated by workers in the construction area with the following measures:

- Waste from construction activities that can be reused again will be separated and reused to help reduce the amount of waste that must be disposed of. The waste that cannot be reused should be piled up and disposed of when there is enough volume.
- Provide trash bins with closed lids at various points of the construction site for ease of use and adequate provision for the amount of waste generated by workers.

- Clean trash bins regularly after government garbage trucks go in for storage to avoid breeding grounds for disease-carrying animals.



4) Value for Quality of Life

The company strictly adheres to measures to reduce the impact of construction throughout the construction period, whether it is measures on air quality, noise, vibration, etc. including organizing staff to survey conflicts, listen to opinions, listen to complaints, and follow up with nearby residents about the impact to know the problems and bring them to improve.

Environmental Management in the Surrounding Area

The company arranges staff to provide information to the communities surrounding the construction area to create understanding and build good relationships, especially houses or buildings that are adjacent to the project, which will be directly affected. The company has guidelines for taking care of adjacent areas to reduce the impact of construction as follows:

- 1) Survey the area surrounding the project before starting the construction.
- 2) Build a good relationship with neighboring houses to listen to opinions and inquire about the impact.
- 3) Establish measures to prevent pollution caused by construction such as dust prevention, noise protection, traffic management, etc.

4) Regularly inspect the surrounding environment of the project. If a problem is found or a complaint is received, it must be resolved immediately.

5) When nearby areas cause trouble or damage, they must find a way to take corrective action immediately.

Relationship Management with Neighboring Communities

In addition to taking care of the construction impact, the company also has a policy to build good relationships with neighboring communities. Officers will be arranged to survey the surrounding area of the construction project from the beginning to gather thoughts and concerns about environmental issues and potential impacts from the development in order to formulate a guideline to prevent and correct various consequences in the future. Supporting social and environmental activities that the community requires in order to foster positive relationships.

Give New Year's Baskets to Neighbors Nearby



Resource Efficiency Policy

The company recognizes that the world's population is growing, which is one of the factors contributing to the consumption of many natural resources, resulting in pollution of water, air, waste, hazardous compounds, noise, and global warming. All of which have an impact on humans and the environment as a whole. As a result, the organization pushes everyone to develop a strong understanding of how to use each resource efficiently and cost-effectively.

Practical Guidelines

- 1) Resource efficiency is to use it sparingly to make the most of the resources available for the longest and most cost-effectiveness, such as the use of two-sided paper.
- 2) Support for re-use, for example, wastewater generated from construction is treated in a pond to pre-sediment and then be reused for spraying on the construction site to reduce dust, etc.
- 3) The company has measures to save electricity by refraining from using office lights during lunch breaks. The result is not only saving electricity costs, but also reducing the use of natural resources and helping to reduce global warming.

Environmental Performance

(1) Efficient Use of Electricity

The company supports, encourages, and strives to use resources efficiently, whether it is the use of electricity, water use, and resources, while supporting the reuse of resources. The company expresses its intention to operate by defining a policy for efficient use of resources as a guideline for the operations of the company and its employees.

In the past year, the company has continued to change office lighting fixtures from fluorescent and tungsten bulbs to LED: Light Emitting Diode. Although this is costlier, it is a worthwhile investment as the LED bulbs are of high quality, long life, low power consumption and the same brightness as fluorescent and tungsten bulbs and also saves energy in the long run. There are also ongoing campaigns, for example, turning off the lights and air conditioners in meeting rooms when not in use, turning off the lights and computer screens during one-hour lunch breaks, replacing office equipment with energy-saving sensors, and annual maintenance planning. It is also the period when the company arranges Work from Home and organization restructuring.

By October of 2022, the Company had finished the office renovation. It initially began renovating the 4th, 6th, and 7th floors of the office. When these floors were completely renovated, the 9th and 23rd floors would be processed later. The renovation of the office is expected to be finished by April 2023. It was discovered that the electricity cost from January to September in 2022 reduced by 115,638 baht, or accounting for 9%. During the last 3rd quarter (October-December) of the year 2022, the Company had a reduced electricity cost compared to the year 2021, totaling 190,579 baht, or accounting for 46%. As the Company renovated the office this year, therefore it achieved the objective of decreasing electricity costs.

Comparison Table of Electricity Costs for the Year 2016 – 2022

Year/Month	Head Office					
	2022	2021	2020	2019	2018	2017
January	129,774	157,878	179,259	161,268	155,568	170,862
February	147,816	126,348	198,322	195,606	162,762	172,428
March	159,624	162,138	181,276	192,630	175,176	191,352
April	138,000	160,350	182,782	209,580	168,000	193,470
May	134,592	138,168	198,171	190,902	186,516	209,232
June	155,190	168,402	158,728	199,026	185,418	204,312
July	133,266	167,922	169,239	203,814	179,868	202,332
August	121,398	133,452	168,582	176,130	168,720	192,696
September	118,902	139,542	184,542	189,402	180,546	197,148
October	97,734	126,438	155,322	173,472	178,302	172,152
November	59,946	119,538	165,018	190,122	158,658	164,532
December	59,471	161,754	157,878	169,120	174,684	170,274
Total	1,455,713	1,761,930	1,776,224	2,251,072	2,074,218	2,240,790

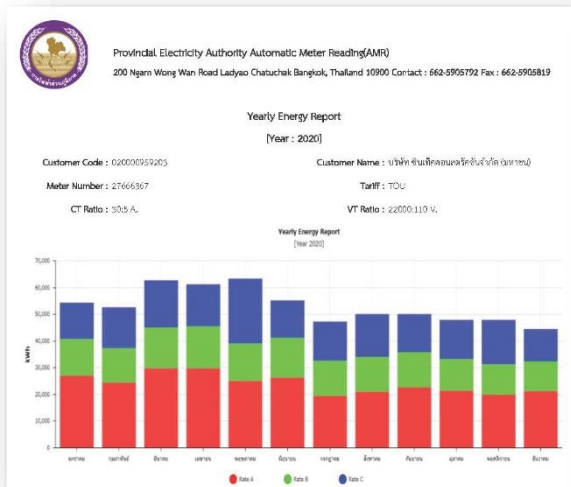
Renewable Energy Supply Project

The year 2022 marks the first year that the company has used solar panels for lighting in construction projects, workers' homes, and the Machinery and Materials Warehouse (Bang Sai Plant), which is considered a part of reducing carbon dioxide emissions, promoting the use of renewable energy, and reducing the problem of global warming, in addition to lowering the cost of using electricity.



In 2022, Bangsai Machinery and Plant Warehouse has applied electric energy from solar rooftop power for 2nd consecutive year, which produced total electricity for the year decreased as per the below summary;

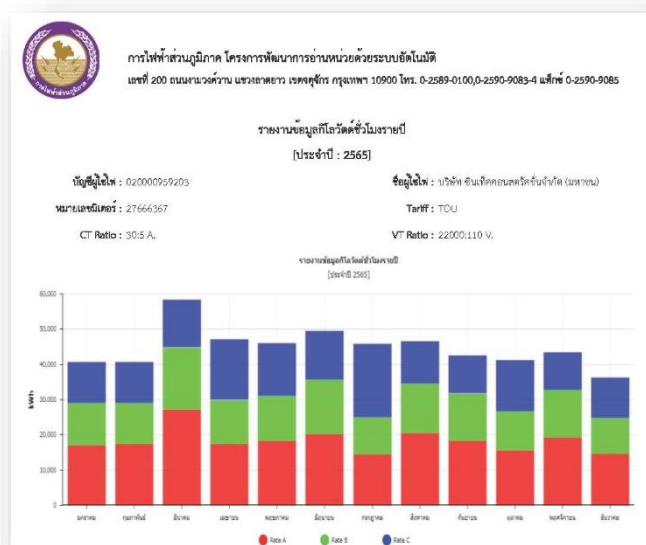
Details	Year		
	2020	2021	2022
Electricity Production (Kilowatt-hour)	639,893.76	512,627.52	537,957.28
Reduction compared with 2021 (Kilowatt-hour)		127,266.24	101,936.48
Total savings (THB/year)		502,701.64	402,649.09
Electricity cost saving earn total 2 years (THB)			905,350.73



Electricity Usage in 2020



Electricity Usage in 2021



Electricity Usage in 2022

(2) Efficient Use of Water

The company recognizes the importance of water management as it is considered an important resource for life and economic development. Since water is a resource that has been exhausted and has not yet been produced to replace it, measures have been taken to control the use of water as follows:

- 1) Put up a publicity sign reminding you to turn off the tap after every use.
- 2) Reuse the circulating water system for washing the wheels of cars passing in and out and washing the construction area, etc.
- 3) Maintain the water supply system to be efficient and ready to use at all times.
- 4) Change the sprinkler device to save more water.
- 5) Install a wastewater treatment system so that the water used in the construction process is treated before it is released into the public drainage system.



(3) General Waste Management/Non Hazardous Waste/Waste

Project : “Waste is not used, separated for recycling”



“กระดาษไม่ใช่ แยกไว้รีไซเคิล”

ขอเชิญชวนเพื่อนๆ ชาวซินเทค
ร่วมมือกันคัดแยกกระดาษที่ไม่ใช้แล้ว
เพื่อนำกลับมารีไซเคิล เปลี่ยนเป็นกระดาษใหม่
กลับมาใช้ในสำนักงานของเราอีกครั้ง

กระดาษเก่า 30 กิโลกรัม = กระดาษใหม่ 1 รีม



Project Objectives : To promote the separation of unused paper, bring it into the recycling process, reduce the use of waste paper, and separate paper into each category to increase the value of used paper waste.

Target : All employees in the organization by piloting in the head office and expanding to the construction site in 2022.

Project Implementation Period: 2020-2023



Project Implementation



- 1) Conduct public relations throughout the company by holding banners and participating in games so that employees can have a basic knowledge of paper sorting and understand the benefits of the project.
- 2) Participate in paper collection and sorting by putting it in the paper receiving boxes provided by the company at various points.
- 3) Collect the sorted paper and bring it to SCG's paper pickup truck for further recycling process.
- 4) Estimate the purchase price and replace it with new paper for employees to use in the future.

Goal : Sort and bring paper into the recycling process 6,000 kgs per year

Performance Summary:

- 1) A total of 4,400 kilograms of recycled paper were put into the recycling process, or 73 percent success.
- 2) Replaces recycled paper with new paper of 115 reams or 57,500 sheets.
- 3) This allows the company to save the cost of purchasing paper for office use by 11,500 baht.
- 4) Reduce the use of natural resources and play a part in reducing global warming as well.

Policy for Reducing Waste from the Construction Process

The company implements a policy of resource efficiency based on the principles of economical use, reuse, and restoration. In the past, the company has focused on building construction workers' dwellings by changing from the old one that was built once and then demolished into prefabricated housing (Camp Knock Down) that is more durable than an old style. It can be disassembled and reused more cost-effectively. It also promotes a better quality of life for workers by living in a cleaner, more beautiful, durable, and orderly space. The company has been working on the project since 2015 and has continued to operate the project, gradually rotating the work to each worker camp site. At present, the company has 16 worker camps that will gradually improve and rotate until every camp.

The goal was to make use of the main infrastructure resources 7 times as much as possible in order to save the cost of constructing the housing for the workers.

Comparison Table of Construction Cost of Housing for Workers

Number of Times Used from the Original Structure	Cost per Time of Building a Worker's House/Room	
	Old Style (Baht)	New Style (Baht)
1	14,000	25,000
2	10,000	7,000
3	10,000	7,000
4	10,000	7,000
5	10,000	7,000
6	10,000	7,000
7	10,000	7,000
Total	74,000	67,000

From the table, it can be seen that in the construction cost of the worker's house that is used from the original structure and adding a new maintenance to be in a ready-to-use condition in the old way, when used 7 times, it will cost 74,000 baht, depending on the model. New that, even if the work has been done 7 times the same, but the cost is only 67,000 baht, you can still use this same structure continuously. Initially, the company was able to achieve the goal that was set for 7 times, which is a 100 percent success.



Old Worker's House



New Worker's House

And in addition to making prefabricated labor houses that can be reused then the company also invented a prefabricated toilet for use on construction sites. which such bathrooms are lightweight Easy to transport and can be disassembled for further use in other work sites.



Climate Management Policy

In order to comply with the quality policy on health and safety and energy management, the company understands the direct and indirect implications of climate change and establishes collaborations throughout the entire value chain. The emphasis is on increasing the share of social and environmental technology use, clean energy consumption, commitment to modify the manufacturing process, and energy efficient use of the changes that affect true reductions in greenhouse gas emissions.

It defines both short-term, long-term strategies, and direction of action in response to changing circumstances, and provides annual sustainability and climate change risk assessments to set goals and strategies in accordance with the situation at that time Including the formulation of indicators to monitor the implementation of climate change. The Sustainable Development Working Group reports the performance to the Corporate Governance and Sustainable Development Committee and to the Board of Directors for further acknowledgment

Practical Guidelines

- 1) Strictly comply with all laws, regulations, and procedures related to climate management.
- 2) Regularly review policies, goals, management plans, risk assessments, and identify key climate issues.

- 3) Support the use of technology and improving operational procedures in line with international policies
- 4) Promote knowledge and push for activities that take into account climate management properly and appropriately
- 5) Track progress, compare goals, and analyze ways to improve operations.
- 6) Disclose company climate management information accurately and transparently through appropriate channels.

Climate Change Impact Assessment

Controlling greenhouse gas emissions is one of the most important issues around the world, which poses a challenge to management in all sectors. Therefore, the company attaches importance to seeking and developing ways to participate in mitigating and adapting to changes that occur.

Climate Change Risk Assessment

Today there are severe climatic variability, fluctuating seasons, and changes as well as rising sea levels. When climatic changes threaten to cause flooding, affecting the transportation of construction materials and raising costs, the company purchases inventory such as stones, soil, sand, steel, and other materials to be sufficient for use until the auctioned project is completed, preventing future shortages of goods or transportation problems.

Overall Result

The company has launched a short-term strategy in 2022 with the goal of reducing indirect greenhouse gas emissions and promoting the use of natural energy by installing solar panels at its machinery and material warehouses (Bang Sai Plant) and reducing electricity consumption in its headquarters and workers' homes, as well as a campaign to turn off lights when they are not in use, and a long-term strategy by 2030 with the goal of propelling the company into a circular economy (SDGs).

3.4) Sustainability Management in Social Dimensions

3.4.1) Social Policy and Practice

"We are part of society," the corporation recognizes. It is vital to consider the potential implications of various operations in order for a firm to be able to grow its business sustainably. Consequently, the company established a corporate social responsibility policy to provide explicit criteria for social behavior, environment, and neighboring communities, as well as adhering to all applicable rules and regulations and maintaining positive relationships with all stakeholders.

Practical Guidelines

- 1) There are policies and practices that are fair and socially responsible. Do not do anything that has a detrimental effect on the community, society, and public interest.
- 2) Support the organization of social and community development activities by defining business and social innovation development policies which are clearly disclosed.
- 3) Be responsible to society and the community by strictly complying with labor laws, employment laws, regulations, and laws related to social and community work.

Employees and Labors

Policy on Fair Labor Treatment and Non-Discrimination Measures

The Company is committed to treating employees fairly, equitably, in compliance with the law and ethical principles. We create fairness and respect for individual rights by believing that the success of a company comes from the creation of individuals that are more valuable than teamwork. All employees of the company shall be treated equally without discrimination and given the opportunity to develop themselves in order to advance their careers in order to further meet the company's business goals.

Practical Guidelines

- 1) Provide fair employment conditions and appropriate compensation for employees based on their potential and ability.
- 2) Take care of welfare for employees as appropriate such as providing annual leave, medical treatment as necessary and appropriate, also accident insurance etc.
- 3) Appointments, transfers, adjustments or relocations must be made in good faith, equality, and on the basis of the employee's appropriate knowledge and competence.
- 4) Maintain the working environment to be safe for the life and property of the employees.
- 5) Encourage employees to train, develop, and enhance their potential, enabling them to learn thoroughly and consistently.
- 6) Strictly comply with all laws and regulations related to employees.
- 7) Avoid any unfair actions that may affect the job security of employees and treat employees with courtesy.

Foreign Labor Management

As the company's business operations require a large amount of labor, the company employs part of the company's construction workers and some has hired contractors or partners who are direct employers of the workers. The company screens, monitors, assesses, and audits its partners to avoid the use of foreign workers or child labor. The contractor or trade partner who will register with the company must comply with the following:

- 1) Foreign labors working in the project must be legally employed.
- 2) Foreign labors working must be 18 years of age.

3) Contractors or partners must employ foreign workers on their own responsibility. Foreign labors must have the employer's name exactly on the back of the pink card or passport.

4) Must specify the name of the project that works correctly and completely. If not complete, contractors or partners must expedite the process.

Non-Discriminatory and Equal Opportunity Employment

The company's recruiting, hiring, and compensation policies are based on ethical principles, standardized systems and procedures, and are free of discrimination and prejudice based on individual differences and diversity, such as race, religion, language, skin color, gender, political opinion, and social status, including women, people with disabilities, and other disadvantaged groups. The company considers the suitability of individual responsibilities for people who are interested in joining the company, such as the company supporting people with disabilities to live an equal life with the general public and participate in social efficiency in an environment that people with disabilities can access and use.

Employment of the Disabled and the Disadvantaged

The Company signed employment contracts for 23 people with disabilities to work with the Sports Association for Cerebral Palsy of Thailand (CPSAT). The employment contract will last through 2022 at the Boccia Building, the Sports Authority of Thailand, and it will be the 4th year the company has worked with the organization. The company supports the provision of job quotas for the disabled athletes team in order to encourage the disabled who are determined to maintain their physical and mental health, as well as to help the disabled who are disadvantaged in society to have a better quality of life, and to promote the reduction of social inequality in another way.



Welfare and Benefits of Employees

The company provides welfare for employees as required by law and as appropriate to build morale of employees leading to better work efficiency.

1) Legal Welfare

- Social Security Fund and Workmen's compensation Fund
- Annual Vacation
- Military Leave
- Maternity Leave
- Business Leave
- Sterilization Leave

2) Health Welfare

- Provide a fitness room for employees
- Annual Health Check up
- Medical Benefits, Dental Expenses, and Life and Accident Insurance

3) Monetary Welfare

- Money allowance such as Marriage allowance
- Maternity allowance, funeral allowance of father, mother, spouse, and other allowances
- Loan allowance such as loan to support family and other loan

4) Social Happiness Welfare

- Provide a mentor to teach the job to new employees
- Organize activities to build good relationship among employees
- Songkran activities and pour water on the hands of revered elders and ask for blessing
- New Year Activity
- Chinese New Year Activity
- Valentine's Day Activity

Maternity Leave and Postpartum Return in 2022		
Employee on maternity leave 5 persons		
Back to Work	On Leave	Resign
5 persons	0 person	-

Employee's accommodation welfare project

Employee's accommodation was built near the company's headquarter in the heart of the city in 2022, with the goal of boosting employee quality of life, occupational health, and safety (Soi Ekamai, Sukhumvit Road). Regarding the cost of accommodation in the city is rather high. The company's management recognized that this was a problem with the well-being of operational level personnel that needed to be addressed. Consequently, the concept was to build a room for staff wellbeing, with 50 rooms and ensuite bathrooms. There are male and female zones in the rooms, as well as free internet access and a finger scan security system.

We also give below-market facilities to our employees, such as coin-operated water dispensers and coin-operated washing machines, to help improve their quality of life and increase their commitment to working with the company in a long-term manner.

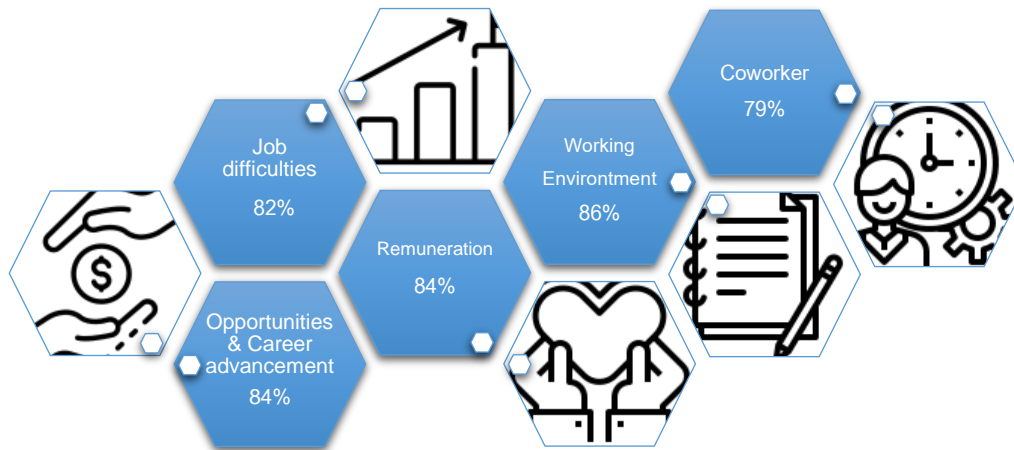
Currently, all 50 rooms are inhabited by employees, and the company is considering increasing the construction of similar residences in order to provide support and participate in the resolution of employee poverty issues.



Employee's accommodation in the Heart of the City, Sukhumvit Road

Employee Satisfaction Assessment

Employees are regarded as the heart of business operations, therefore the company places importance on the happiness factor in the work of employees. In the year 2022, the company conducted an assessment of employee satisfaction with the company and then communicated the results of the assessment through the central public relations board to all employees. Responsible departments will bring the results of such assessments to analyze in order to find ways to improve employee satisfaction in the following year by assessing satisfaction in 5 areas as follows:



The assessment revealed that the work environment got the highest score in terms of satisfaction. Therefore, management has approved the renovation of staff seating plan in all department from the 4th, 6th, 7th, 9th, 23rd floor in order to integrate with the procurement department, to provide a large working environment, to provide a convenient area to coordinate with partners or outsiders, and to be more in line with the current organizational restructuring. In 2022 the office spaces at the headquarter have been renovating which already finished renovation on 4th, 6th 7th and 23th floor to improve employee's satisfaction in the future and to promote occupational health and safety working environment in the workplace.



Safety, Health, and Work Environment Policies and Measures

Syntec Construction Public Company Limited (“the Company”) understands that its people are its most significant asset. Since safety is so important in the construction industry, it is determined to promote employee safety in order to prevent accidents and injuries and to regulate potentially dangerous operations by creating a safety policy, occupational health, and working environment as follows.

Objectives

- 1) As a guideline for establishing and maintaining a management system for safety, occupational health, and working environment
- 2) Reduce risks, dangers, and accidents for employees and related parties
- 3) Improve business operations to ensure safety

Practical Guidelines

- 1) The Company will develop a safety, health, and work environment management system in accordance with relevant standards, requirements, and laws.
- 2) Safety at work is the duty and responsibility of every employee. In addition, supervisors must be a good role model, lead, support, encourage employees to be aware of work safety and supervise employees to strictly comply with the safety and hygiene regulations.
- 3) Knowledge and awareness of safety, hygiene, and working environment are continually disseminated to executives and employees.
- 4) All employees must strictly comply with safety regulations, safety standards, hygiene, and other relevant requirements.
- 5) Monitor and evaluate performance and develop systematically and continually improve safety, hygiene, and work environment.
- 6) The Company will support the appropriate budget, time, personnel, and other resources involved in the implementation of the safety, occupational health, and work environment management system.



Safety signages in the construction sites

Occupational Health and Safety Operations

The company has taken actions to create operational safety divided into 3 parts:

1) Location Safety	2) Machine Safety	3) Personal Safety
<ul style="list-style-type: none"> • Build a fence around the entire construction area to prevent unauthorized people from entering the construction area. • There are signs, warning signs, and codes of conduct that are appropriately sized and clearly visible and universal that everyone can easily understand. • Provide a first aid room in the construction area to provide initial care for injured workers. 	<ul style="list-style-type: none"> • Arrange to check the availability of machinery, equipment, and tools to ensure the safety of life and property. • There are emergency drills in various situations in order for employees to understand the operation procedures such as fire drills, etc. 	<ul style="list-style-type: none"> • Employees must dress tightly and wear appropriate protective equipment such as helmets and seat belts for employees working at heights. • Training is provided to educate employees on rules, regulations, and procedures for working safety.

Table Showing Statistics of Accidents from Various Projects within the Year 2022

Accident Types	Number of Accidents (Times)
Hit, smash, hit, and get cut from all kinds of materials	30
Dropped material	4
Being pinched or held between two objects	11
Fall	9
Electric current	0
Exposure to various toxins/radiation	3
Exposure to too high or too low temperatures	0
Overwork	2
Other accidents	5
Total	64

According to the accident statistics table, there were 64 construction-related accidents in 2022, resulting in a lost-time injury rate (LTIR/LTIFR) of 0.01 accidents per million hours, meeting the aim of not more than 0.03 percent. In most cases, minor accidents do not cause serious injuries that will cause disruption, close construction sites, or halt business operations.

The company strives to prevent and emphasize safe working practices on a regular basis by requiring professional safety officers to notify the work plan, clarify risk points, and label or label employees before starting work each day in order to reduce the number of incidents and maintain the safety of all employees' lives.

Promoting the Quality of Life of Construction Workers



In addition to the company's awareness of occupational health, safety, and working environment, the company also recognizes the importance of promoting, developing, and improving the quality of life of construction workers. In 2022, the corporation will continue to focus on creating camps that are durable, sturdy, and comfortable to live in for daily workers. In addition, the company has taken the following steps to improve occupational health and environmental standards in the homes of its employees:

- The Company developed a camp and promoted to be a prototype camp via Thai PBS program, a social news issue, as an example of a camp to enhance the quality of life of children and sustainable employees with an interview with Ms. Sojirat Promjit, a camp manager.
- There is a list of residential workers in each room to take care of the well-being and order of the construction workers.
- Build separate showers and toilets for men and women.
- Arrange for a butler to take care of the orderliness in the workers' homes.
- Install a sign proclaiming the rules of living together.
- Fire extinguishers are inspected regularly at least once a month, and fire extinguishers are trained in the correct use of fire extinguishers.
- Spray mosquitoes and insects regularly at least once a month.
- Allocate space for workers to relax and play sports in order to build good relationships in coexistence.



“Syntec Never Let Your Guard Down”

The Company has reiterated the COVID-19 prevention measures called “Never let your guard down.” for the construction of worker accommodation. The Company has modified a combined bathtub into a shower enclosure, provided COVID-19 testing for new moving workers, cleaned worker's houses and buses regularly with disinfectant, and issued a rule requiring workers to wear masks at all times. It displays that the company cares about the occupational health of its workers, inhibits the spread of the virus throughout the community, and strictly adheres to the law.



People Development and Career Advancement Promotion

Employee Potential Development Policy

The Company is committed to continually improving the potential and competence of its employees so that they can operate effectively and meet the company's objectives. As a result, there has been a project to improve employee potential and training by dividing training into 5 categories based on the skills and information that employees need to work:

- 1) Basic courses for new employees to enable new employees to learn and adapt to the organization's culture, such as new employee practice courses, etc. In addition, the company also appoints buddy, a representative from the new employee's division, to take care of the new employee during the first four months to help the new employee adjust to the company more smoothly.
- 2) Courses by occupation groups for employees classified by occupation such as the course for quality control of reinforced concrete buildings, the course to enhance the efficiency of steelworkers in construction (Reinforced Concrete Building) 2 - Bar Cut List, etc.
- 3) Quality and safety courses such as supervisory safety officer courses, work safety committee courses, etc.
- 4) Leadership development courses for supervisors and executives at all levels such as the Character Strengths Train-the-trainer Program, the Strengthening Innovation Capabilities Course, etc.
- 5) Self-improvement courses such as Core Values & Culture for Success, Creative Idea @ Work Course, etc.

Employee Training and Development Information



In the year 2022, the company organized 12 training courses (In-House Training), 50 models, and sent employees to train 28 courses with other institutions, 28 models, for a total of 78 models, covering operational, senior, and executive level staff.

Number of Training Courses for the Year 2022

Training Courses	Number of Courses	Number of Models
In-House Training Course (In-House Training)	12	50
Training Courses with External Institutions (Public Training)	28	28
Total	40	78

Employee Training Data by Level

Employee Level	Total Number of Employees Eligible for Training (Persons)	Number of Employees who Attended the Training (Persons)
Executive Level	114	97 (85.08%)
Senior Level	273	98 (35.89%)
Operational Level	463	205 (44.27%)
Total	850	400 (47.05%)

The organization has set a quantitative aim of at least 50% of eligible employees attending various training courses, but due to the COVID-19 outbreak, only 400 employees attended the training last year, accounting for 47.05 percent of all employees. As a result, the training cannot be organized as planned due to the government's policy of canceling seminars and reducing the number of employees attending each training session.

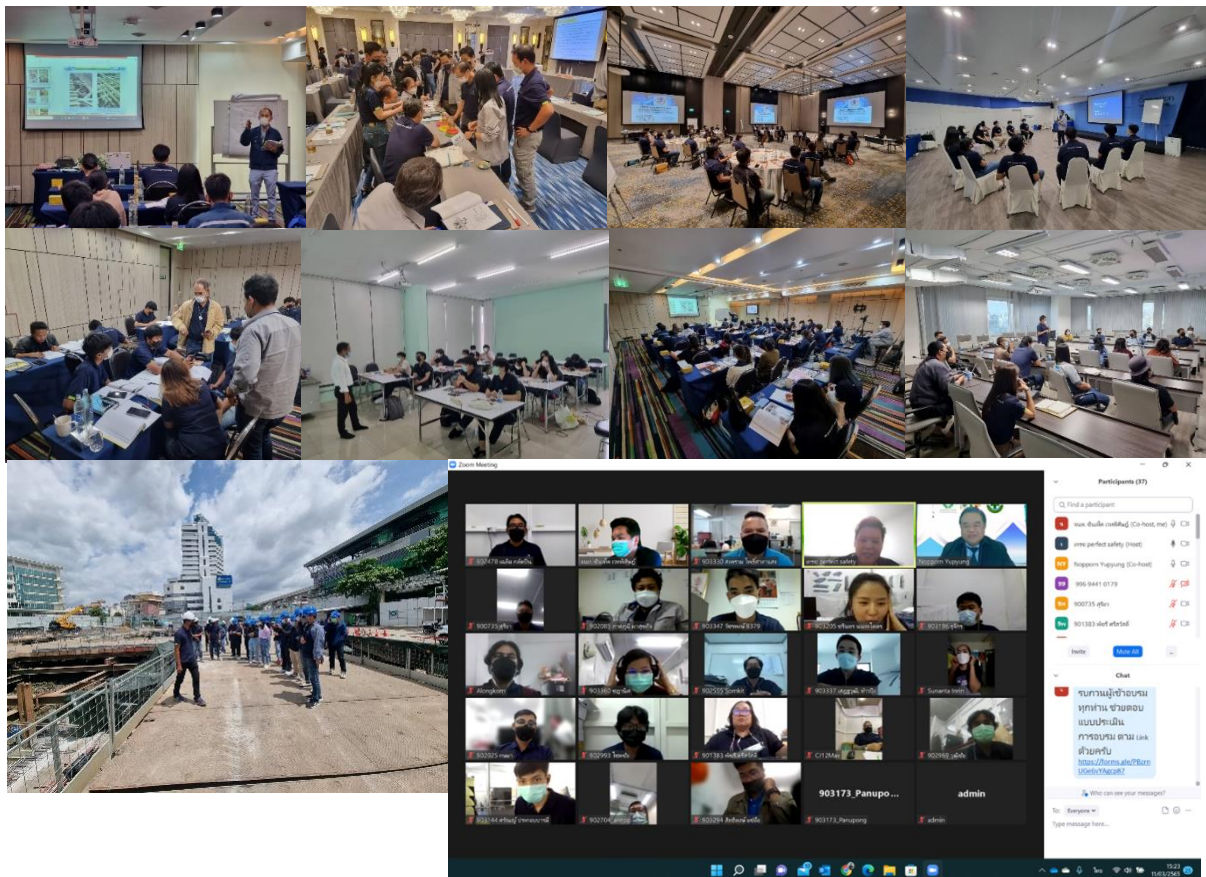
Only training expenses for personnel who are eligible to attend training total 436,012 baht in 2021, divided into internal training expenses of 235,140 baht and external training expenses of 200,872 baht. Budgeting for the year 2022 in the amount of 4,000,000 baht to develop and promote employees' full potential by focusing on learning management using online platforms in the form of Micro Learning.

Employee Satisfaction Assessment After Training

The company has set a quantitative target to assess employee satisfaction after training courses that must be at least 85% satisfied with the following topics:

- 1) Appropriateness of the course and the content of the course
- 2) Documents and training materials
- 3) Comments on speakers
- 4) Satisfaction with service and ease of contacting and coordinating training sessions
- 5) Training time

In 2022, the assessment of satisfaction in training courses is at 85.82%, which is considered a 100% success. The company will use the results of the assessment to improve and develop the courses used in the training further.



Employee Training at the Company / Online Training

Bilateral Project

By establishing a collaboration agreement with Surin Technical College in 2022, the Company initiated a bilateral project to develop vocational education management. There are a total of 57 students participating in the project, some of them having quit from the project to further study or obtain work experience, resulting in the remaining 54 workers of the Company from the project or 94% of the students participating in the project. The Company has consistently implemented the project in 2022 to improve vocational education management and enable students to obtain work experience by using their knowledge and abilities in the establishment.



Syntec Academy Project

Labor is considered essential to the Company's construction operation, particularly skilled, knowledgeable, and experienced personnel. For this reason, the Company has established the "Syntec Academy" initiative, which has been ongoing for the 5th year to improve labor skills and develop personnel in the construction line of the Company, including both Company employees and workers from partner companies, so that everyone works according to equivalent standards.

In the preceding year of 2022, the Company provided following workmanship skills training courses:

No.	Course	Number of Generation / Year		
		2020	2021	2022
1	Adjust the fundamentals of construction work	40 gens.		
2	Plasterer (Masonry & Plastering Works)	5 gens.	1 gen.	6 gens.
3	Tiler	1 gen.		
4	Building electrician level 1	3 gens.		
5	Abilities in the assembly, installation, and disassembly of steel scaffolding	-		4 gens.
6	Surveyor operational skills (Survey)	2 gens.		5 gens.
7	Manual metal arc welder level 1	1 gen.		
8	Crane, truck, boat, and tower crane operators' operational competence	-		1 gen.
9	Operational skills for small forklift drivers	-		1 gen.
10	Crane, truck, boat, and tower crane operators	-	1 gen.	3 gens.
11	Passenger hoist operator	1 gen.	2 gens.	1 gen.
12	The person who gives the signal to the crane operator and binds the material (Inform the crane)		2 gens.	3 gens.
13	Basic masonry practice	9 gens.	3 gens.	
14	Elementary Firefighting (<i>Camp team</i>)	1 gen.	1 gen.	
15	Safety working at height		1 gen.	
16	Skills of working at height			4 gens.
17	Improve the productivity of ironworkers in construction work (Bar Cut List)			3 gens.
18	Screening and preparing electrician skills in the building level 1			2 gens.
19	First aid			4 gens.
20	Basic knowledge of foreign labor laws and documentation			3 gens.
Number of staff participating in the training (person)		985	251	531

As a result of the persisting COVID-19 outbreak in 2022, it was not possible to provide trainings to 800 persons/ year in labor skills as intended. In addition, due to the Company must adhere to the government's policy of reducing the number of employees participating in each generation of training to prevent the risk disease transmission, skill development training must be conducted in both theory and practice and cannot therefore be organized through an online system.





Pictures of Skill Training in Various Fields

According to the findings of the Company's development of such projects, it was determined that the Company had skilled construction workers and improved work efficiency in terms of both quantity and quality, which is the primary reason for the Company to efficiently reduce errors, materials, time, and various costs in working. Hence, it also creates opportunities for greater operational profitability. In terms of the employees, after measuring and analyzing performance at each level, there will be prospects for development in their profession, including advancement, promotion, and greater remuneration, these actions will have a direct impact on the future improvement of their quality of life.

2) Customer

Customer Relationship Management

Construction business is the company's core business, therefore, its main customers are general real estate development companies, especially leading companies in the country that are listed on the Stock Exchange of Thailand, limited companies with good reputation and stable financial status, including the construction of government agencies which the company will undertake the construction according to the conditions agreed upon in the contract with the company's customers.

Responsibility for Customer

The company is committed to doing its best to provide customers with quality work. The company regularly checks the quality of its work to meet the requirements and gives customers the opportunity to make



complaints about the company's work and services through various channels. It also requires all executives and employees to maintain customer confidentiality and not misuse the customer's secret for self or related parties in order to maintain customer satisfaction.

Customer Relationship Management Guidelines

Customer relationship management is the key role of a company in meeting customer satisfaction is the quality construction that the customer wants. The creation of customer satisfaction is therefore an important factor in customer relationship management. There are 3 key approaches that the company adopts in customer relationship management: quality construction, cost control, and cost control, and time management

1) Quality Construction: The company focuses on the correct construction according to the professional engineering principles, including the use of modern technology in the operation to achieve the work that meets the needs and satisfaction of the customers.

2) Cost Control: The company will manage the construction cost appropriately according to the customer's plan so that the customer can compete in the business.

3) Time Management: The company will deliver the work to the customer according to the work plan stipulated in the employment contract.

Customer Satisfaction Policy and Guidelines (Project Owner)



Syntec Construction Public Company Limited ("the Company") has provided a customer satisfaction assessment (Project owner who hires the company to construct the project). The objective is to get to know the problems and obstacles in the construction process from the start of the work until the delivery of the work to the customer in order to analyze the cause and determine the guidelines for improvement and improvement. In addition, the project owner will benefit from quality, timely, cost-effective operation and in accordance with the terms of the employment contract. The satisfaction level is measured twice a year, during June and December each year.

Guidelines for Improving Satisfaction / Improving the Quality of Service

The company has implemented the quality management system ISO 9001:2008 in order to maintain operational standards, including reviewing the operation before the start of the contract, during the process, and after the delivery of the work. However, the customer or the employer will be bound by the contract according to professional standards in order to complete the construction work according to the customer's requirements, construction requirements, and the deadline specified in the contract.

Currently, the company is committed to maximizing its potential and maintaining high operational standards, while preparing for and gaining expertise in numerous domains in order to transition to the ISO9001:2015 quality management system when it is formally notified by the regulator.

Customer Satisfaction Assessment

The company arranges for the satisfaction assessment of the project owners who hire the construction company by setting a target of customer satisfaction scores must not be less than 3 points. In this regard, the assessment form is completed so that the company is aware of any problems or obstacles that arise during the construction process, from the start of the project to the delivery of the finished product to the customers, so that the cause can be investigated and guidelines for better development and improvement can be established. Satisfaction levels are measured twice a year during June and December each year.

Table Showing the Level of Customer Satisfaction for the Year 2022

Assessment Topics	June 2022		December 2022	
	*Number of Appraisers	Score	*Number of Appraisers	Score
1. Assessment while under construction				
1) Readiness of personnel to work	18	3.1	28	3.2
2) Readiness of the machine to work	17	3.3	28	3.7
3) Readiness of materials for work	18	3.1	28	3.5
4) Construction safety				
4.1) Building cover, Protection panel	16	3.0	26	3.2
4.2) Fall protection, Guard rails	18	2.8	27	3.0
5) Construction environment				
5.1) Sound control not to exceed permissible standards	16	3.1	28	3.3
5.2) Dust control not to exceed permissible standards	17	3.2	28	3.3
5.3) Cleanliness in the office area	17	2.9	28	3.1
Average Rating During Construction		2.98		2.95
2. Assessment when construction is complete				
1) The construction is in accordance with the form and work standards.	16	2.9	26	2.8

Assessment Topics	June 2022		December 2022	
	*Number of Appraisers	Score	*Number of Appraisers	Score
2) The materials used in the construction are correct according to the requirements.	18	2.9	26	2.8
3) Deliver the work according to the contract schedule.	16	3.1	26	3.1
4) There is a complete inspection of the work before the work is delivered.	17	3.0	26	3.0
5) Satisfaction with the results delivered	17	2.9	26	2.7
Average Rating of Construction Completed		2.98		2.95
3. Assessment after delivery of work (Under warranty period)				
1) Remedial work has been carried out on time.	1	3.0	11	3.5
2) There is a follow-up to inquire about the use of the delivered construction.	1	3.0	11	3.4
Average Score		3.00		3.45

Note: The number of appraisers means the number of project owners whose construction status varies according to the progress of the work during that period.

Definition of Customer Satisfaction Level

Satisfaction level 4.0 – 3.1 means it is within the criteria that the standard must be maintained.

Satisfaction level 3.0 – 2.1 means it is in the range but needs improvement.

Satisfaction level 2.0 – 1.1 means it is below the required level and needs to improve a lot of work.

Satisfaction level 1.0 – 0.0 means that it is in a critical condition that requires a new work system change.

Customer satisfaction ratings for the year 2022 in the month of June are shown in the table below. The average score for the assessment during construction was 2.98 for the assessment after completion, and 2.88 for the assessment after delivery (during the guarantee period) 3.00. The level of satisfaction received by the organization meets the requirements that must be met.

However, the company has taken ideas and comments from project owners who are reviewing, such as improving the orderliness of the piles of used and unused materials, cleaning the project on a regular basis, tightening the organization's safety system to be stringent, and so on. The average project owner satisfaction was 3.45 in the December customer satisfaction survey, which is higher than the June survey since the company completed modifications to correct the defects as advised by the project owners.

3) Partners

The Company is dedicated to strengthening relationships with business partners and operating the business in such a way that it can grow sustainably while maintaining transparency, honesty, and legality, as well as developing work methods that will create shared values with all stakeholders. with supply chain management that considers environmental, social, and corporate governance issues (Environment, Social, Governance: ESG), which is the management of opportunities and risks across all aspects of business

operations, resulting in long-term value and value with partners, as well as increasing official competition advantages. For these reasons, the company has developed a Supplier Code of Conduct for Sustainable Development for suppliers to use as a guideline and continue to operate.

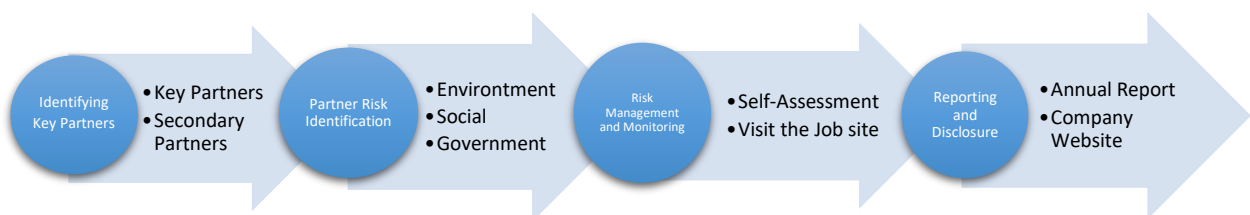
By treating all supply chain partners with procurement methods and terms of contracts or agreements based on rewards, fair to both parties, avoiding discrimination, and upholding duties to partners, the Company is devoted to honesty, integrity, and fairness towards its business partners. Furthermore, the company educates, develops potential, and focuses on the creation of worldwide performance standards, as well as business ethics, fair labor treatment, respect for human rights, and adherence to safety requirements, safety and occupational health, community development, and environmental protection, as well as monitoring, auditing, assessing, and building knowledge in conducting business with one another, are all important.

The company, on the other hand, plans to set operating standards above and beyond legislative requirements in the hopes of motivating suppliers to take a responsible and equitable approach to its stakeholders so that they can expand alongside the company in a sustainable manner. We can learn about company ethics for long-term development at <https://www.synteccon.com/corporate-governance.php#>

Practices

- 1) Communicate and let key trading partners know and comply with the Supplier Code of Conduct for sustainable development of the company.
- 2) Regularly assess Environmental, Social, and Good governance (ESG) counterparts.
- 3) Track partner performance through annual partner self-assessment.
- 4) Establish a supply chain management system that encompasses the supplier selection process, monitoring, and evaluation of partner performance.
- 5) Communicate to business partners at the operational level to be aware of the expected performance of the company in order to meet the company's standards.
- 6) Communicate with partners to understand and understand the human rights impacts that may occur from operations.
- 7) Monitor all complaints received through Whistle blowing Channel.

Partner Sustainability Risk Management



1) Identifying Key Partners

The Company has guidelines for operating in various fields for both old and new trading partners by categorizing business partners into different types as follows:

- Key partners mean partners with high cost, difficult to replace, key raw material in the production of strategic goods or in case of loss of such partner will result in a very high and very high risk. The Company plans to establish the Partner Assessment Form and to conduct visits, audits, and jointly plan various risks in accordance with the Partner Sustainable Practice Guidelines to ensure that these suppliers are able to manage risks to a level that does not cause severe impacts.

- Secondary partners mean partner with medium or low expenses and not belonging to the main trading partners. The company plans to develop the Partner Assessment Form based on the Partner Sustainable Practice Guidelines to ensure that these partners can be a part of the company's supply chain management.

Guidelines for Fair Procurement

1) Develop a procurement plan with management and project managers assigned to manage newly launched projects

2) Select a vendor/provider from the vendor roster and provider roster based on the roster the purchasing department has.

3) Submit details of equipment/service requirements to vendors/service providers with a price quote deadline.

4) Verify the accuracy of the bids and summarize the prices and conditions offered by each vendor/service provider.

5) Purchasing departments consult with management and project managers to verify compliance with agency requirements and negotiate prices and conditions with vendors/providers.

6) Summarize the vendors/providers who offer the best price and conditions with comments, propose for approval to management by issuing purchase orders to selected vendors/providers and coordinating between project managers with vendors/service providers to understand and plan delivery and attendance.

The company will select vendor's/service providers from both direct manufacturers and distributors in an open manner for all vendor's/service providers to compete in terms of quality, price, and conditions under the same rules with transparency and accountability in order for the company to receive materials, equipment and services that are most in line with the company's needs.

- Accounting Work: Responsible for accounting system, taxation work, preparation of various financial reports to be presented to executives and external organizations such as the Stock Exchange of Thailand.

- **Financial Work:** Responsible for acquiring working capital in construction projects, making letters of guarantee, including following up on construction contract billing and payment to various suppliers.
- **Business Development Work:** Responsible for analyzing and supporting the company's bidding on various projects, as well as finding new business opportunities and studying the feasibility of various projects with potential for investment.
- **Human Resources:** When a new project is launched, the Human Resources Department is responsible for allocating the appropriate personnel, both the capacity and the number of personnel for each type of work, as well as allocating enough workers for the most efficient operation. The project manager will be appointed to manage the project within the project successfully.
- **Technology and Information Systems Work:** Responsible for the implementation, installation, development and maintenance of corporate information technology systems, including the company inventing modern programs and technologies to increase operational efficiency.
- **Legal Work:** Responsible for dealing with legal matters, litigation, enforcement, consulting on contracts, and doing juristic acts.
- **General Administration and Field Administration Work:** Take care of office administration, facility and vehicle work, and insurance work which supports the smooth running of core operations. The field administration section takes care of personnel, procurement, and other tasks assigned by the company to support the smooth running of the project.



Management of Key Partners

Presently, the company has a number of sellers (Supplier) and service providers (Sub-contractor) registered as partners of the company in large numbers. The company has placed orders for building materials such as cement, steel, sanitary ware, and other items in the year 2022. The company's procurement will not be concentrated on a specific one in order to reduce the company's operating risks.



2) Partner Risk Management

The Company has established measures to prevent risks from trading partners that may affect the continuity of the Company's operations in terms of economic, social, and environmental aspects through fair and transparent standards for selecting, evaluating, and auditing trading partners, adhere to the principles of good governance, business stability and trustworthiness of partners, as well as being able to respond to the needs of the company's products and services very well by creating a trade partner registration to select potential partners To do business with the company, monitoring, evaluating the availability of goods and services, logistics, industry standards, including occupational health, social, environmental, and anti-corruption policy compliance corruption is also included as follows:

Risk Factor	Effect	How to Handle
Default delivery and service	Economic	- Assign partners to be responsible for any expenses incurred from late delivery of work.
Partner's credibility	Economic, social, environmental	- Commercial registration documents, tax documents, product certification and environmental documents. - Partner's portfolio - Check the work history from the existing customers of the partners.
Conspiracy and price scams	Economic and good governance	- Partners's qualification form, where partners must disclose factual information. - Check the list of executives and directors of partners participating in bidding.
Occupational Safety and Health	Social and economic	- Select business partners who focus on safety and occupational health of employees, for example, they have been certified by various government agencies.

3) Management and monitoring of sustainability risks to suppliers

In 2022, the company has launched the ESG Partner Self-Assessment for the first year, focusing on the supplier risk assessment of the procurement department since it is the main unit that support the procurement of construction materials and employing all construction workers. The assessment of 65 suppliers has already covered 10 key suppliers, both procurement and procurement. The outcome was at 100% can pass the company's evaluation criteria.

Policy and credit term to partners

The company attaches importance to liquidity and cash flow management by defining the credit term depends on the company's partners. This requires consideration of various factors such as the duration of business operations, product type, number of products, product quality or inventory rotation cycle, etc. However, the Company has determined the period of trade credit granting in accordance with the principle of fairness and appropriately beneficial to all parties

The details of credit term are as follows:

- Major partners or suppliers Set a period of 30-45 days from the date of delivery items or services or pay in installments according to the conditions agreed in the contract in accordance with the announcement of the Trade Competition Commission.
- General partners or suppliers Set a period of 30-45 days from the date of delivery items or services or pay in installments according to the conditions agreed in the contract which in accordance with the announcement of the Trade Competition Commission.
- Business partners who are small and medium-sized enterprises (SMEs) set a period of 15-30 days to promote liquidity for the company's partners. The money can be used to continuously circulate in the economy.

Relationship Management with Partners

The company pays attention to the quality of products, services, prices and good relations between partners and the company. Therefore, there are measures to manage business partners in accordance with the specified standards. There are standards for selecting, evaluating and auditing partners fairly and transparently. adhere to good governance Business stability and reliability of partners as well as being able to respond to the needs of the company's products and services very well with a registration of partners to select potential partners to do business with the Company and has been tracked Evaluate the performance of the availability of goods and services, transportation, industry standards. including occupational health, society, environment, and compliance with anti-corruption policies.

Promotion of anti-corruption awareness among partners

The company is committed to anti-corruption and corruption. It does not involve giving or receiving bribes, including corruption in all forms, whether in business operations with the public or private sectors

In addition, the company is aware of and gives importance to anti-corruption and corruption as well as to promote awareness of the company's partners. The business partners are notified to sign for acknowledgment and to comply with anti-corruption and anti-corruption policy guidelines, giving and receiving gifts, gifts of executives and employees. The Company prohibits from giving or accepting gifts, presents, including any other benefits and entertainment that may convey bribery or corruption.

In this regard, giving or receiving gifts according to traditions, festivals or local customs are something that can be done.

4) Community and society

Social and Community Engagement Policy

The company operates business with awareness of social and community responsibilities along with strong organizational development. Also, be a part of improving the quality of life of people in our country by contributing to sustainable social solutions through business processes and continually supporting social activities especially, the communities surrounding the construction project area. In addition, employees are encouraged to participate in various activities. To create public awareness among employees in order to be recognized and trusted by society and communities that live together in a sustainable way.

Syntec takes part in helping communities and society.

As the community near by the construction site organized the activity “Legal Learning Project to access the justice system No. 1” at the Makkasan Vegetarian House, New Petchburi, Makkasan, Rajthawi, Bangkok therefore sent representatives to participate in this activity for legal learning purposes and gave out 120 sets of survival bags to build relationships reduce the gap between Make communication in the future to be smooth and efficient.





Project period: August 2021- January 2022

Performance: This community Isolation Center was opened for company's workers, partners, subcontractors and people living in nearby the areas by giving patients diagnosed with COVID-19 Come to stay about 2-3 days. After 3 days all patient will be sent to co-responsible hospital. Since opening center, the company has been able to help more than 600 detected or risk patients.

Project Young Engineer Trainee

Due to the current situation, the world has to face the situation of the epidemic of Covid-19. Mainly impact to world economic condition especially employment has dramatically declined. This problem directly affects to new graduated who still lack working experience. It will be more chance for them to not to get in career opportunities.

Moreover, nowadays, more and more children in Generation Z are entering the labor market. The research found that this group of people have a desire to search for a career or the way of working that he is better at than what he has learned. As a result, children in Generation Z who enter the labor market tend to quit quite high. Since working and found I myself do not have enough interest in the work that I do. The company has therefore created this program to help people who are just entering the labor market find what they want through the job learning program it offers. This will help employees find their interests. and ignored more quickly This will have a positive effect on the employees themselves. Employees have the opportunity to learn about jobs that interest them and do well. Including employees who have a body of knowledge in a variety of work Able to work in Multi Skill, which will have a positive effect on society to get people with knowledge and skills in all aspects of engineering be able to apply the knowledge gained to integrate the problems that arise appropriately

The Company has implemented the Young Engineer Trainee Program starting from 2021 and continues until 2022 in order to create opportunities for new graduates to be able to search and access to interested careers more quickly and also receive learning in a wide range of occupations that will give them a wide range

of knowledge and job skills. For more opportunities for career growth, the company will also have human resources with knowledge, abilities, and ability to apply ideas to create new working methods create innovation for the organization Knowledge is passed between each generation within the organization. This will result in the organization merging old knowledge, innovation and new knowledge. This will enable the organization to develop to respond to the modern world more quickly.

Strategies/implementation plans for community development or social problem solving

Company's new personnel development strategy along with developing the potential of former employees by new graduates who are admitted through this project will be organized learning plans from different departments and therefore choose which department they are interested in and have aptitude for therefore chose to work in that department which the implementation of a project like this It will help new graduates to see the real operation. in addition to the class and when choosing a job that they like and are good at It will help to reduce the turnover rate of new employees even better.

As the company is a leader in high-rise building construction, this project also contributes to solving social problems in the field of employment, career building promotion of progress and generate income to people who have expertise in construction and other related field. In addition, the main focus of the project is to bring together the knowledge of each generation in both the knowledge and experience of Generation Baby Boomer, Generation X combined with modern thinking and access to technology of Generation Y, Generation Z personnel through talks work together to create new knowledge to develop the working process of the construction project to create efficiency and greater safety in construction. In which innovations in construction have been invented and establishing procedures for safety in construction projects so that the construction work can safely coexist with the community and society.

The Young Engineer Trainee Program started in 2010 for the first year and is expected to continue in the future to be part of solving the unemployment problem of fresh graduates through the admission of new graduates. The results of operations are as follows:

- Year 2020 accepting 9 new graduates, with an employment value of 2,106,000 baht per year.
- Year 2021 accepting 11 new graduates, with an employment value of 2,574,000 baht per year.
- Year 2022 accepting 13 new graduates, with an employment value of 3,042,000 baht per year.

And in the year 2023, the company plans to accept 20 new graduates to join the project, representing an employment value that will increase by 4,680,000 baht per year.

The company can reduce the risk of shortage of personnel with specialized expertise by 15 people, divided into 7 personnel in field engineers (Civil), 2 engineers, cost control engineers in 3 personnel and system

development engineers in 1 personnel, 2 marketing plan engineers. Also, this project can reduce the cost of recruiting staff (via Head Hunter) in total 263,250 baht.

And from the implementation of the Young Engineer Trainee project for 2 generations, at the end of 2021, a total of 5 employees have resigned, accounting for 25% of the participants in both programs. The company has followed up after the project ends and always listen to the opinions of employees. Including a program to develop potential Plan for the career growth of this group of employees as well. For this group of employees to be the new wave that will lead the organization to continue to grow in the modern world.



Policy on Respecting Children and Human Rights

The company respects and complies with human rights principles by giving importance to respect for human dignity, rights, liberties and equality of persons. Do not discriminate simply because of differences in body, race, nationality, religion, gender, language, age, education and other social status. In addition, the company also realizes and places importance on labor by treating employees and employees in accordance with labor laws, rules, regulations and regulations. related to fair labor both Thai and foreign workers including no forced labor using or supporting child labor and human trafficking

The Company operates its business on the basis of supporting and respecting the rights of employees throughout the organization, including children and youth. This will lead to sustainable development for both the organization and the child population.

This policy was approved by the Sustainable Development Working Group meeting and presented to the Board of Directors' meeting for mutual consideration and acknowledgment.

Guidelines for Respecting Children and Human Rights

1) Practice and promote mutual respect and dignity. No one will be treated unfairly or discriminate without distinction of race, religion, nationality, sex, age, education and other social status.

2) Perform duties with caution prevent risks that may cause human rights violations in business operations.

3) Regularly monitor and monitor the implementation of human rights principles within the organization. and report to supervisors when witnessing acts that violate human rights.

4) Provide opportunities for employees and stakeholders to express their opinions. Report clues or complaints if there are incidents or actions related to human rights violations by complying with the policy and measures for whistleblowing.

5) There is a process for reviewing and resolving complaints related to human rights after being notified by employees. and/or all stakeholders and report to the Board of Directors for further acknowledgment.

6) Take care of the quality of living of workers The company invests in building prefabricated housing (Camp Knock Down) to be safe. have a good environment take care of cleanliness so that the accommodation is durable and strong Suitable for the residence of workers and families.

7) Support and promote activities that contribute to improving the quality of life of children and youth in the surrounding communities. Establishments and in rural areas such as the construction of public toilets, sports fields, building of child development centers, etc.

8) Ensuring that a good environment is maintained in the construction of construction projects in accordance with the specified standards in order not to affect the neighboring communities where the population of children, adults, and elderly people live.

9) Support and promote laws and regulations of government agencies which is to eliminate the problem of child rights violations and child labor.

10) Granting the right to freedom of belief of a person's religion including performing religious ceremonies without being used as a cause or factor for disqualifying persons from receiving assignments promotion considerations salary adjustment and transfer.

11) Treat foreign workers as follows:

11.1) Take action to reduce language restrictions by providing an interpreter to translate. There are badges according to the worker's nationality to clearly communicate important issues such as safety, rights and health.

11.2) Fair employment, such as compensation and benefits according to the law, with the aim of ensuring that foreign workers have a quality life and well-being.

11.3) Rights, liberties and well-being in society according to the rights that should be received according to the laws and regulations that have been set including the care and attention of living be safe have good hygiene as appropriate and complete with 4 factors.

Harassment and Abuse Practices

The company is committed to creating a healthy working atmosphere and mutual respect for everyone in the organization for example respective between colleagues and between supervisors and subordinates, etc., in order to create a good relationship in treating each other.

In treating each other, they must not act in any manner that threatens or harasses each other. Either verbally from a verb or any inappropriate behavior, including

- 1) Verbal harassment, such as manipulation, defamation.
- 2) Physical harassment, such as intimidation, physical harm, threatened to harm the body
- 3) Visible threats, such as communicating offensive messages behavior or images that cause resentment
- 4) Sexual harassment such as courtship request for benefits or sexual harassment by physical or verbal



“Collaboration between Baan Dek Development Network Foundation and Syntec Construction PCL.”

Baan Dek Foundation and UNICEF has come to work with the company's staff. with a mutually written agreement to implement the Chiang Mai Framework of Action (CMFA) and to develop a worker camp in Bangkok into a model camp. Starting from January 2019 onwards

Later in 2022, Baan Dek Foundation has continuously cooperated with the company to develop tools used to survey the quality of life of camp residents to provide services and assistance appropriate to the needs of the child including families in accordance with the Chiang Mai Framework of Action (CMFA) to improve the quality of life of children and camp residents.

Activities Report

The Children's Foundation staff organizes training programs to improve the butlers' abilities as follows:

- Skill enhancement training on the SAT Quality of Life Survey.
- QR code knowledgeable signboard (in 3 languages) facilitating the ability to search for information such as:
 - Social protection through social security applications;
 - Children's rights, birth registration, enrollment; and
 - Worker information through the Mit Thai website disseminating information, knowledge and legal advice.



Business and Social Innovation

The company attaches to creating corporate innovation and use of technology to develop work in various fields to be able to respond to work effectively, the company also has an idea to promote and support the creation of a platform for employees to present and create innovative work related to their job scope to build the potential of the organization and to be ready to compete in the construction business sustainably.

In 2022, employees have expressed their creativity and innovations relevant and beneficial to the operations of the organization. Innovation can be created in the form of creating unlimited processes, technologies or inventions and must be able to be used to develop the potential to work effectively.

“Khao Chi Chan Groundwater Treatment Plant” Innovation

Since the Company established several projects in Chonburi province during the month of February, the location of Khao Chi Chan Project does not have access to tap water and will need a large budget to bring tap water into the project. As a result, the Company has collaborated with the project owner to create a groundwater filtration plant in order to decrease costs and use existing resources to the maximum extent possible, with the following intended objectives:

- 1) To reduce the expense of buying tap water;
- 2) To utilize abandoned or used equipment to restore, decrease the expense of purchasing new ones, and develop further to benefit the Company; and
- 3) To take advantage of the project, lower expenses from purchasing tap water will result in higher earnings, so reduce expenses and reuse existing ones for maximum benefit.

Comparison table between tap water and groud water of Khao Chi Chan Project

Khao Chi Chan Project	Purchasing tap water (Provincial Water Works Authority)		Project timeframe 24 months	Purchasing groundwater (filtration system)		Project timeframe 24 months	Save cost
Average water usage quantity	water supply Rate	Total water supply expenses	Total expenses	water supply Rate	Total water supply expenses	Total expenses	
(cubic meter)	(THB/ cubic meter)	(THB)	(THB)	(THB/ cubic meter)	(THB)	(THB)	(THB)
1,600.00	32.00	51,200.00	1,228,800.00	21.625	34,600.00	830,000.00	398,400.00

Indications or details showing innovation

1. To utilize abandoned or used equipment to restore, decrease the expense of purchasing new ones, and develop further to benefit the Company; and
2. Savings over purchasing a water supply and employing a contractor.

1.1 Calculating the purchase of tap water from the typical water use in the table above, it is seen that using groundwater may save 398,400 baht throughout the duration of the project's operation (24 months).

1.2 Employing a contractor to build the water filtration plant utilizing the same prototype would cost (estimated price) 542,000 baht, but utilizing the company's equipment and creating the water filtration system on its own will cost just 91,300 baht, saving up to 450,700 baht.

Information on Technology and Innovation

The Company recognizes the worth of resources that may be recycled for maximum benefit, and thereby reuses old materials that are no longer usable.

Sources of materials / equipment are consisting of:

- 1) The primary construction employs outdated equipment such as H-Beam steel and round column form;
- 2) Water supply pipe materials, PVC pipes;
- 3) Water filtration materials such as resin, sand filters, and manganese; and
- 4) Colors and electrical equipment.



Estimated expenses of groundwater filtration plant for consumption

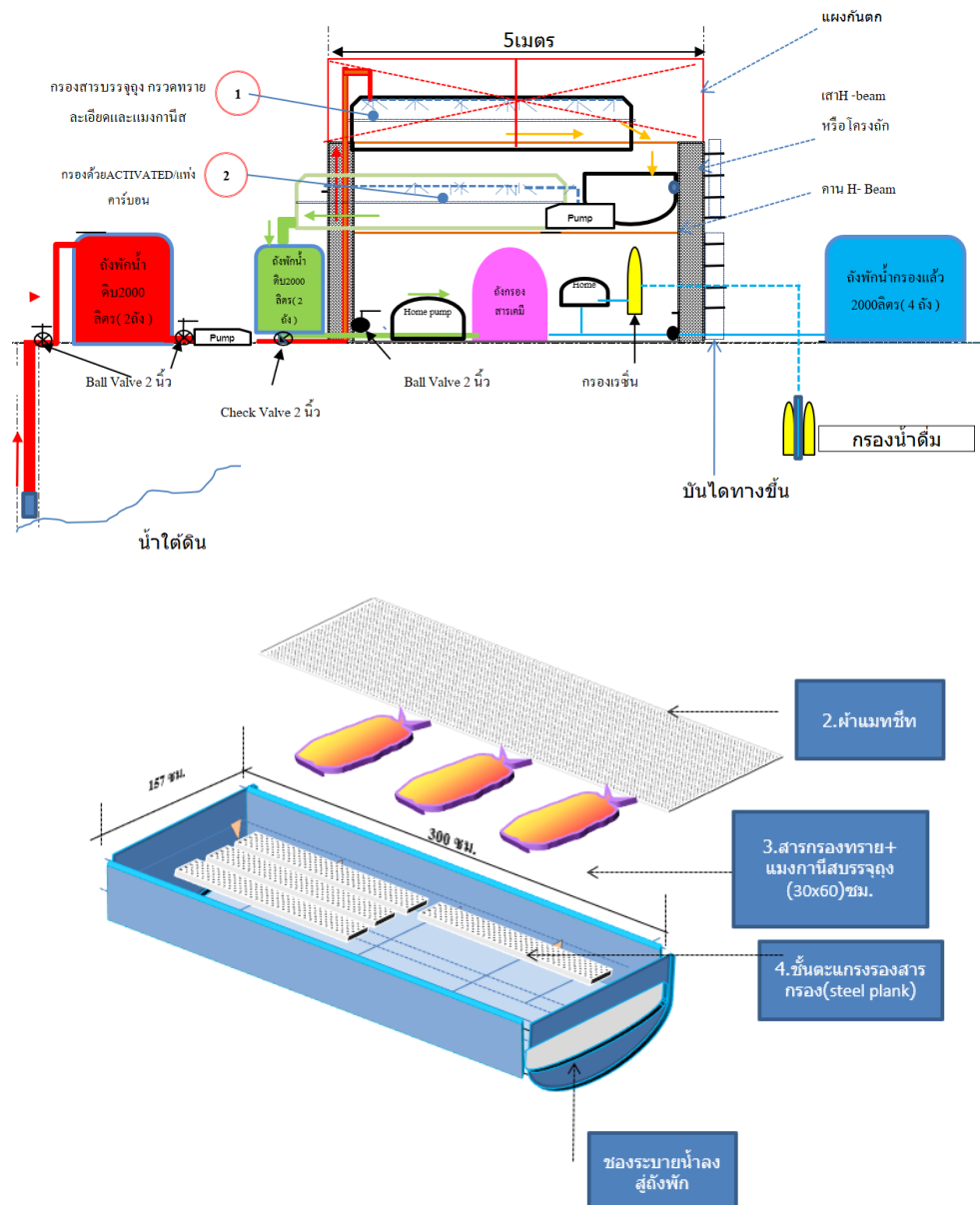
“Khao Chi Chan Groundwater Treatment Plant” Innovation

No.	Subject	Quantity	Unit	Price
1	Structural work and material of ground water filtration plant (closed system)			
	- Modified existing filtration tank opened system+existing chemical filtration	1	work	6,247
2	Tank and chemical filtration (closed system)			
	- Multimedia Filter Model F 20 – S/M (size 300 litres)	1	tank	40,000
	- Filtration tank Model : S 906 R (Recyled materials) (size 100 litres)	1	tank	-
	- Carbon filter	150	litre	4,950
	- Maganis filter	100	litre	3,300
	- Resin filter	20	litre	1,160
3	Water pump and installation equipment			
	- Centrifugal pump WCM220	1	Ea.	9,800

	- Centrifugal pump WCM370	1	Ea.	12,000
	- Float switch	1	Ea.	550
	- Electrical & Wire cable	1	SET	3,240
4	Installation (Contractor work)			
	- Labour cost, transportation cost and relocation cost of equipment including maintenance every 3 months for all period of service.	1	work	10,000
Total estimated construction cost of groundwater filtration plant from recycle materials				<u>91,247</u>
Cost of Hiring contractor to build groundwater filtration plant				<u>542,000</u>
Reduce construction cost				<u>450,753</u>

Structural and system design of water filtration plant

A team of engineers designs the structure and water filtration system by taking into account water quality, safety, and simplicity of use as the foundation for design.



Water Quality Inspections

1. Inspection of water quality using a standard water quality measuring instrument

Checking the chemical solution value TDS (PPM.)			Checking PH balance (PH)		
Standard value <500 PPM			Standard value 6.5 -8.5		
Quality	Quality of filtered water	Quality of filtered water	Quality of water	Quality of filtered water	Quality of water
Groundwater	C/M/S	Resin filter (R)	Groundwater	C/M/S	Resin filter (R)
234	191	154	5.90	6.35	6.98

Water quality must consider the TDS value or the measurement of solids in the water, as well as pH-value in water, including color and odor. When the groundwater filtration plant was inspected, it was discovered that all of the key inspection values were above the threshold and could be applied for utilization and consumption.



Pictures of Khao Chi Chan Groundwater Treatment Plant Innovation

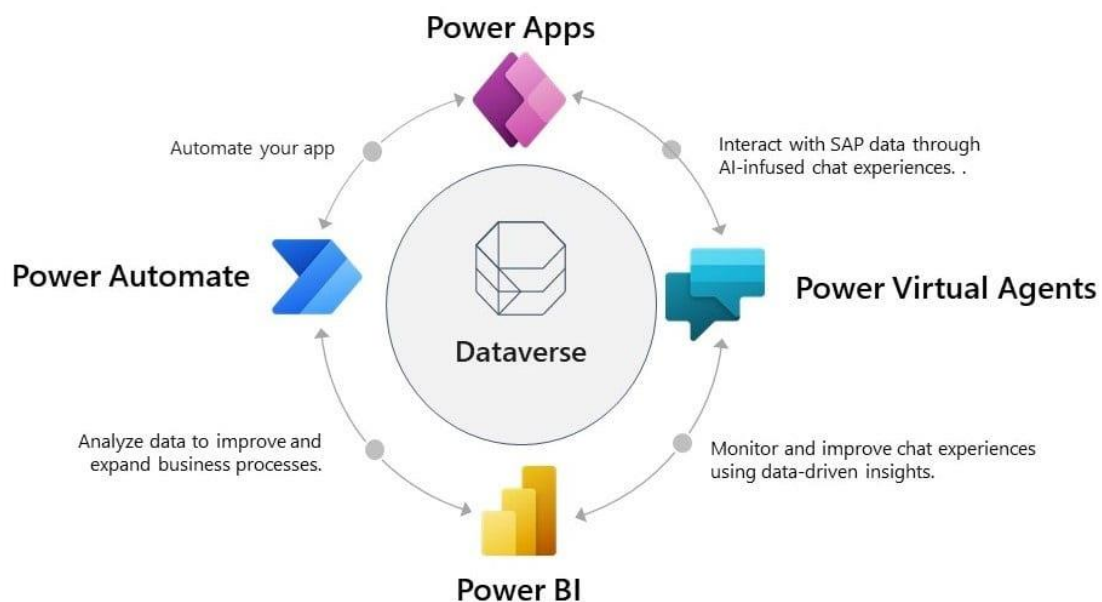
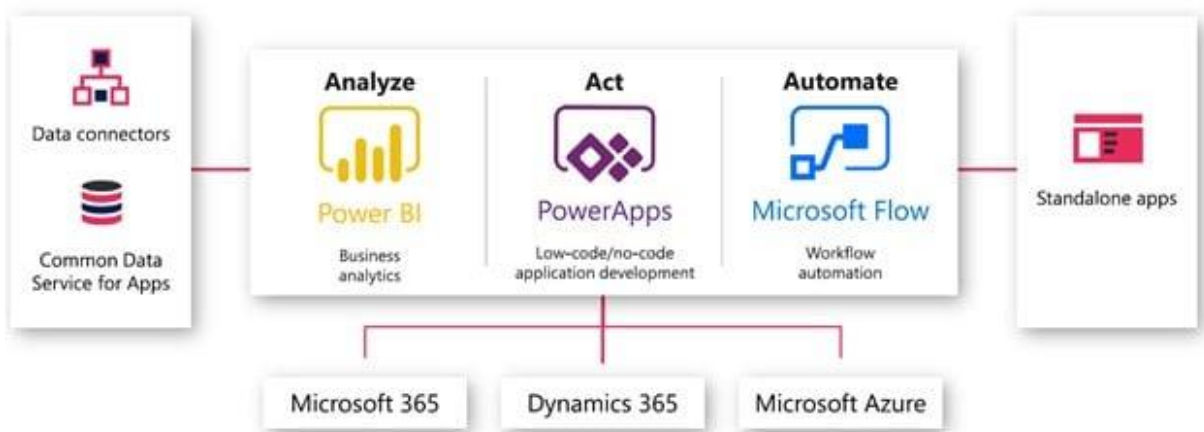
Innovations benefit other stakeholders

Microsoft Power Platform It's the low-code toolkit that needs to agile and build solutions that move the business forward. Microsoft Power Platform is built on the foundation of integration with security, management, and compliance. excellent with opportunities for growth.

Analyze (Power BI) to find intelligent insights across a wide range of data.

Act (Power Apps) to build low-code solutions to address business challenges.

Automate (Power Automate) Streamline processes with code-free automation.



4.) การวิเคราะห์ และ คำอธิบายของฝ่ายจัดการ

Management Discussion and Analysis : MD&A

4) Management Discussion and Analysis : MD&A

In 2022, the consolidated financial statements of the company and its subsidiary showed a net loss of 408.80 million Baht, however in 2021, the same period shows a net profit of 63.92 million Baht. This resulted in a loss of 472.72 million Baht, or 739.55 %. Because to the impact of the Covid-19 epidemic in 2021, the construction industry's primary source of revenue decreased, which had a negative impact on the economy and tourism as a whole. The investment in the hotel, shopping center, and commercial complex has slowed considerably. In addition, the residential business group for which the project as well as the structure has been constructed and the upcoming project are selling for a substantial sum. In addition to the Covid-19 situation, which increased construction costs, there is a manpower shortage. In addition, the Russia-Ukraine conflict has led to an increase in the cost of electricity, as well as a rise in the cost of steel and concrete used in the construction industry. As a result of this circumstance and the state of the world economy in 2022, there was a decline in profit and construction revenue.

In 2022, the company has sales pending recognition and delivery for 24 projects totaling roughly 13,830 million baht, which will have a residual value of 7,193 million baht in 2022, and in 2022, the company will continue to earn the trust of both existing and new clients. Due to the quality of the company's construction operations in accordance with the prescribed working plan, maintaining the quality of working standards, compliance with the terms of the contract, personnel development, and construction technology, as well as maintaining the company's ethics for business operations, the company began operating the new construction project as follows in 2022:

- Residential project for	6 projects	totaling 1,628 million baht.
- Office project for	2 projects	totaling 4,432 million baht.
- Hospital for	1 project.	totaling 843 million baht.
- Shopping mall project for	1 project	totaling 205 million baht.
- Hotel project for	3 projects	totaling 272 million baht.
Total 13 projects		equals to 7,380 million baht.

The construction income of 2022 decreased by 255.82 million, or 5.15 %, from 2021, with 2022's construction income amounting to 4,708.72 million baht, compared to 2021's construction income of 4,964.54 million baht. This is due to the fact that 13 construction projects have been launched and are in the process of being constructed by the company. Residential project, office project, hotel project, hospital project, and shopping mall project revenue accounts for 44.59%, 37.06%, 7.25 %, 6.95 %, and 4.03% of total revenue, respectively.

The revenue from services increased by 126.85 million baht, or 46.95 %. The revenue from services would increase by 397.06 million baht in 2022, compared to 270.21 million baht in 2021. This indicates that the government's easing of measures to screen tourists from both Thailand and overseas under the "Test&GO" or Exemption from Quarantine programme, which does not require quarantine, has resulted in a significant recovery of income from services in 2022. The average occupancy rate for the room services industry was 70.23 %.

Compared to 2022, in which construction costs represent 99.98% of construction revenues, construction costs represent 88.73% of construction revenues in 2021, an increase of 11.25 % due to the cost of construction materials and labor wages in construction work, which are considered to be the primary costs that do not significantly affect the economic status. In addition, the company has a plan for regulating material costs, which are regarded the business's primary expense, by assessing the price trend of construction materials and the quantity of demand necessary for production. It is based on the market price and the direction of the market price to be used as a negotiation tool with the seller when there is a high volume of orders, and as a down payment for the purchase of steel when the market price lowers. This is the administrative cost for the greatest advantages.

The cost proportion to service per service income decreases from 84.34% in 2022 to 117.32% in 2021, a 32.90% decrease. The fall in this share is a result of the relatively consistent fixed costs associated with employee-related expenses. In contrast, the government's policy to simplify the screening process would raise income in 2022, resulting in a decrease in the proportion of income service costs.

In 2022, administrative expenses will be 372.66 million baht, up from 360.31 million baht in 2021, an increase of 12.35 million baht or 3.43 %. This is an increase from the cost of surrendering the right to rent the Duchess Hotel and Residential project for 22.45 million baht, while costs associated with the covid-19 outbreak in 2021 drop.

4.1) Financial status from financial statements-Consolidated financial statement

Total Assets

Total assets in 2022 in amount of 9,755.62 million baht decreases from 2021 for 109.88 million or equals to 1.13 % resulted from the changes in asset transactions as follows:

Current assets increased by 307.77 million baht or 7.23 % mainly due to:

- Other current financial assets increased by 205.36 million baht or 11.89 while the cash and cash equivalents decreased in amount of 95.49 million or equal to 28.23%. The increase of the other current assets was due to the use of cash paid by receivables to temporary investment to seek the short-term returns which will be received more than the savings bank deposits.

- Accounts receivables increased by 147.41 million baht or 27.41 % due to the billing of several completed projects at the end of the year. This is in accordance with the conditions specified in the agreement.
- Other currents accounts receivables increased by 40.68 million baht or 56.17% resulted from the increase of other account receivables related to construction work for 28.88 million baht corresponding to the progress of construction work in the end of 2022.
- The assets from asset or current assets are decreased by 82.96 million or 6.21% driven by an increase in the value of uncollected worker construction. This was an increase of 43.06 million baht from the previous year and a decrease in the receivables of 126.02 million baht due to the account receivables of the construction contracts guarantee the work as per construction contract that is due to prescribed time for the repayment of 2022.
- Inventories decreased 14.39 million baht or 11.82. This decrease from the construction materials due to the inventories administration to the minimum and circulate as quickly as possible in accordance with the group's inventory management policy for maximum efficiency.
- The advance payment to the subcontractors increased by 107.16 million baht or 85.56 % from the use of steel from construction cost control planning. The is a deposit for steel that will be used for construction, the company has the agency that responsible to evaluate the price of steel and other materials construction according to the economic status, market price and such construction price trend. The price evaluation of steel and other materials will be proceeded together with the construction work plan and quantity of items needed for construction in the next one year to control the construction cost according to the plan.
- Non-current assets decreased by 417.65 million or 7.45% due to the main reason that.
- Other current assets increased by 105.24 million or 16.67% was due to an increase in the number of securities held by the company. The increase in the price of this securities held by the company which this increase of securities price will be directed in the same direction to the share index of stock exchange rising at the end of the year comparing to the previous year.
- Other assets from the contract-non- current assets decreased by 53.17 million baht or 43.08 % due to the current classification due to the due date of return during 2022.
- Investment property decreased by 20.85 million baht or 4.10 % due to the depreciation of investment properties.
- Land, building, and equipment decreased by 115.06 million baht or 3.75% due to the main reason from the depreciation of the assets and distribution of equipment of The Duchess Hotel project for 23.11 million baht resulted the land, building and equipment decreased. In addition, the Group of company has delaying investment due to the economic uncertainty.

- Right-to use asset- net decreased by 418.11 million baht or 40.73 due to the distribution of assets of distribution of right-to use asset – net of The Duchess Hotel project of 375.89 million baht.
- Withholding tax decreased by 23.93 million baht or 12.42% due to the operation and corresponding the decreased income.

Total debt and equity

Total liabilities

The company has total liabilities in 2022 of 3,938.05 million baht, this was decreased from 2021 for 222.89 million baht or 6.00 % with the main statement list as follows:

Current assets decreased by 423.08 million baht or 29.27% mainly due to

- Trade payables increased by 33.39 million baht or 15.00 % in line with the increased cost and fluctuated as per the time of the actual cost.
- Other creditors decreased by 15.34 or 4.34% due to the decreased of construction cost estimation for 68.83 million baht.
- Debts that arise from contract increased by 385.43 million baht or 177.72 resulted from the advance payment recipient during 2022.
- Vat pending for tax invoice increased by 14.08 million baht or 16.08 %. This increase is in line with the value of uncollected work under construction.
- Other current liabilities 32.19 million baht or 215.41% due to the increased project cost estimates.

Non-current liabilities decreased by 200.19 million baht or 8.82 mainly due to:

- Long-term loans from financial institutions decreased by 58.94 million baht or 4.26 resulted from the payment of loans from financial institution in accordance with the terms of the loan agreement of the subsidiary.
- Debts of lease agreement- Net decreased by 159.86 million baht or 24.64% resulted from the Duchess Hotel project selling for 176.84 million baht which is the debts particulars record as per the accounting standard no. 15.
- Deferred tax liabilities increased by 22.54 million baht or 931.71% from the temporary difference that is taxable. This was mainly due to an increase in the value of investment in securities sale.
- Estimated non-current employee benefits liabilities decreased by 23.54 million baht or 12.08% resulted from the change in assumptions for assessing employee benefits. As a result, the estimated employee benefit liabilities were reduced from the group's estimation of the employee benefit liabilities during 2022.



as of 31 December 2022
equals to 0.68 : 1 time



The Company
has keep the
debt to equity
ratio.

Not exceed and according to the
prescribed criteria equals to 2.5 : 1
time.

Shareholders' equity

Shareholders' equity of 2022 in amount of 5,817.57 million baht decreased from the same period of 2021 of 332.76 million baht or 5.41% which is an increase or decrease of the main elements as follows:

- Loss of operation of 2022 for 408.80 million baht.
- Non-controlling interests decreased by 25.21 million baht or 4.59%
- Other elements of the shareholders' equity increased by 84.19 million baht or 25.69% resulted from the price of securities held for sale increasing in accordance with the direction of the stock exchange as of 2022 upon comparing with the previous year.

Liquidity

Overview of operations in terms of cash and cash equivalents of the company in 2022 of 242.79 million baht decreased from 2021 of 95.49 million baht or decreased by 28.23 % resulted from the operation during 2022 which can be compared the liquidity in various types as follows:

Liquidity Ratio (Unit: Percent)	Consolidated Financial Statements			Separate Financial Statements		
	2022	2021	2020	2022	2021	2020
Liquidity ratio (time)	2.44	2.95	1.94	3.77	3.43	2.16
Quick liquidity ration (time)	1.53	1.80	1.40	1.67	2.02	1.52

4.2) Factors or events that may significantly affect financial status or operation in the future (Forward looking)

In its commercial operations during the past year, the company has continued to create various systems and use advanced information technology in an effort to boost the company's cost administration efficiency in line with the current economy. Enterprise Resource Planning (ERP) is the software investment and system that will be used for planning the major supply chain, project administration, service, finances, and other procedures within the organization and the corporation has a policy to monitor the ERP costs in 2021. The software's also help to plan for the resources and allow various activities to be held within the organization to be able to track the information in real time, such as accounting system, purchasing, project management, project cost controlling, customer relations management, risk management, compliance with the regulations, as well as providing the equipment to track and monitor the cost to be within the prescribed budget, and the company has

issued the policies. In addition, the Covid-19 pandemic from the previous year and increased vaccination has sent a positive signal to the hotel industry and tourism since the government issued the measure of easing the screening of tourists from overseas under the "Test & Go" or Exemption from Quarantine project that does not require quarantine. The hotel industry has begun to recover significantly, and the revenue of the accommodation and hotel industry should continue to rise. The group of hotels and accommodations that recovered is still regarded as one of the most popular places for Thai tourists. In addition, the group that supports foreign tourists, such as those that market for foreign tourists in Asia and the Middle East, should perform better in 2023, and hotels that generate revenue from events and conferences have the potential to recover from such a situation, allowing the tourism sector in Thailand to improve over the past year as a result of the constant changes. The Group of the company's real estate development division must make adjustments and seek more revenue-generating guidelines. In 2023, it is recommended to concentrate on the domestic market, as Thai visitors continue to have spending power, regardless of whether they are single, working, elderly, family, LGBTQ+, etc. This includes Thai tourists who travel overseas for more than 12 million people and those who are still unable to travel overseas in the near future, as well as the expat group or tourists with permanent residency in Thailand for 2 million persons who have purchasing power and are always able to travel. There remain seminar groups that concentrate on the country-driven process. In 2022, the company should focus on the foreign market, paying special attention to specific markets with high spending potential, such as the health-conscious group, the group that comes for treatment, the sport group, as well as other outbreak circumstances and lock downs that may occur in Thailand and abroad, as well as the company's real estate development group.

Comprehensive income statement performance-Financial statements

Income

The consolidated financial statement of the company for 2022 has the profits for 408.80 million baht, during the same period in 2021, the company has the profits of 63.92 million baht which the performance operation decreased by 472.71 million or decreased by 739.58%. The cause of changes resulted by the performance operations as follows:

- Construction revenues decreased; in 2022, the amount of 4,708.72 million baht and for 2021, the amount of 4,964.54 million baht which decreased by 255.82 million baht or 5.15%. It can be classified the income by the productions as follows:

- Revenue from the direct contractor of the residential building in 2022 amounted to 2,099.56 million baht decreased by 668.29 million baht or 24.14 % from 2021 and decreased by 1,675.11 or 37.70% from 2020 due to the former projects gradually and the new projects that occurred in such year for 5 projects.

- Revenue from being the direct contractor of office building/commercial building in 2022 for 1,745.03 million baht increased by 1,617.38 million or 1,267.00 % from 2021 and decreased by 377.52 million baht or 74.73% comparing to 2020 since there is the commencement of the newly built project during 2021 and 2020 for once, which has been continued to construct until completed in 2022 for 2 projects and having newly built projects which are the large project for 2 projects.

- Revenue from being the direct contractor of hotel and resort in 2022 for 341.29 million baht decreased by 440.62 million baht or 56.35% from 2021, which has 781.91 million baht and increased by 297.10 million baht or 61.28 from 2020 due to during 2022, the group of company has the project that generate the income gradually from the former year for 5 projects and having new project during the year for 4 projects.

- Revenue from being the direct contractor of hospital in 2022 of 327.46 million decreased by 130.37 million baht or 28.47 from 2021 that having 457.82 million baht decreased by 603.30 million baht or 56.85% from 2020, which has 1,061.12 million baht. The group of company has the projects that generated the gradually income from the previous year for 2 projects and new projects for one project.

- Revenue from being the direct contractor of shopping center/supermarket/shopping mall in 2022 of 189.62 million baht decreased by 438.26 million baht or 69.80% from 2021 which has 627.88 million baht decreased by 65.92 million baht or 9.50% from 2020 that having 693.80 million baht since the company received a large-scale bid and starting construction of new projects in 2018 and ongoing construction completed in 2021. The company has the projects that generate income gradually from the previous year for 2 projects and new projects during the year for 1 project.

- Revenue from being the director contractor of industrial factory in 2022 of 5.76 million baht decreased by 195.65 million baht or 97.14 % from 2021 having 201.41 million baht decreased by 144.00 million baht or 41.69% from 2020 since the company has received the project bidding and starting to construct the new project in 2019 and conducting the construction consecutively until it was completed in 2022, while it is no the new project during the year.

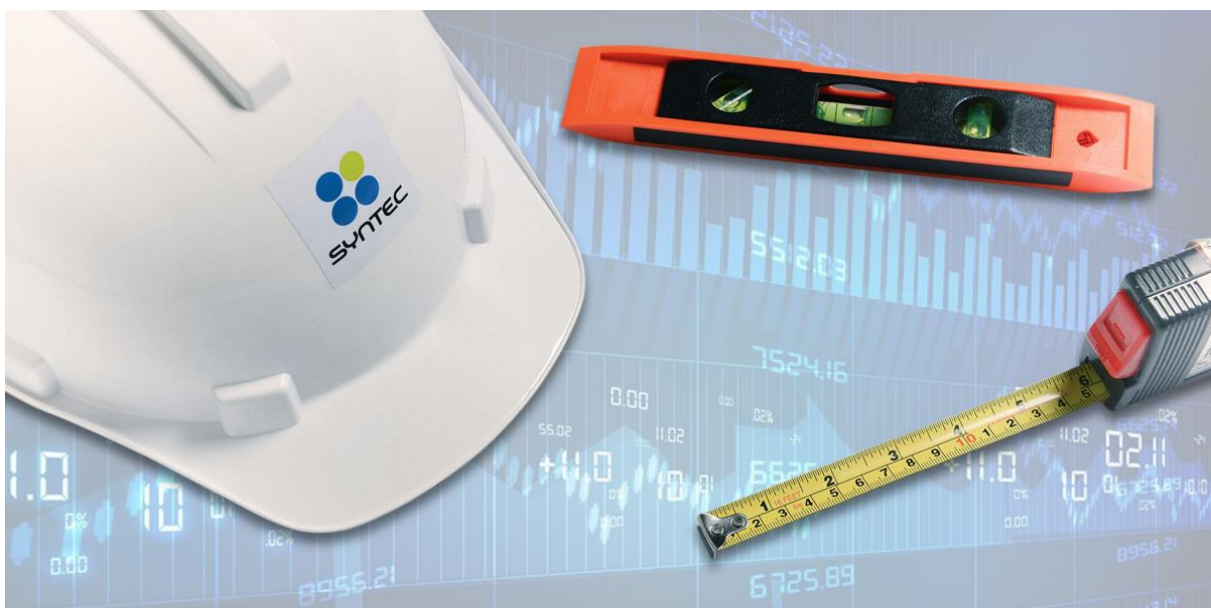
- Revenue from being the director contractor of institution of 2022 and 2021, there was no construction project, resulted the decrease for 100 % comparing to 2020, that having 90.59 million baht which is the consecutive income form job in 2018 and due to the company has received the project of institution construction in 2018 and completed in 2020.

Overviews summarize of income structure is as follows:

Product Line/Business Group	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Revenue from being a direct contractor of						
- Residential buildings	2,099.56	40.72	2,767.86	52.09	4,442.97	55.62
- Office buildings/ Commercial buildings	1,745.03	33.84	127.65	2.40	505.17	6.32
- Hotels and Resorts	341.29	6.62	781.91	14.71	484.81	6.07
- Hospital	327.46	6.35	457.82	8.62	1,061.12	13.28
- Shopping center /Supermarket/Shopping mall	189.62	3.68	627.88	11.82	693.80	8.69
- Industrial factory	5.76	0.11	201.42	3.79	345.17	3.86
- Institution	-	-	-	-	90.59	1.13
Income of construction	4,708.72	91.32	4,964.54	93.43	7,623.87	95.44

Revenue from room services	397.06	7.70	270.21	5.08	308.17	3.86
Earning interests	0.55	0.01	0.95	0.02	5.40	0.07
Transfer back allowance for expected credit loss	4.76	0.09	-	-	-	-
Profits from distribution and write-off of assets	4.70	0.09	3.84	0.07	1.69	0.02
Other incomes	40.51	0.79	74.36	1.40	48.99	0.61
Total income	5,156.30	100.00	5,313.90	100.00	7,988.12	100.00

The net total income of the company (according to the consolidated financial statement) in 2022 for 5,156.30 million baht, in 2021 for 5,313.90 million baht decreased by 157.60 million baht or 2.97% which the main revenue from being the director contractor for 4,708.72 million baht or 91.32 % of the total net income, which are from residential buildings, office buildings, hospitals, hotels and resort, shopping centers and shopping malls as well as factory industrials respectively.



Revenue from room services

The company earns income from providing service rooms for 397.06 million baht in 2022 and for 270.21 million baht in 2021 increased by 126.85 million or 46.95%. This overall income of real estate development group was due to the Covid-19 pandemic which had been reduced, having the easing measurement to promote the domestic tourism and open the country welcoming the tourists from overseas resulted the occupancy rate of the company group increased by 56.27 accounting for 70.23% increased by 13.96% comparing to the previous year.

The real estate development group has 3 projects that already in operation and 2 projects are under construction as follows:

CSM Capital Partners Co., Ltd (a subsidiary company) acquired ownership of Eight Thonglor Residence on April 28th 2018, which is the service apartment equipped with the facility located in the middle of the city with 148 rooms, situated at Soi Sukhumvit 55 (Thonglor), Sukhumvit Road, Khlong Tan Sub-district, Phra Khanong District, Bangkok Metropolis, earning the income from service in 2022 for 252.92 million baht increased by 89.30 million baht or equals to 54.58%, having the proportion equals to 63.70% of the income of service fee appearing in the consolidated of financial statement and having the average rate of occupancy in 2022 equals to 85.32%.

SCR Asset Management Co., Ltd (a subsidiary company)

- One project of Citadines Grand Central Sriracha; this project officially available in April 2015 as a service apartment with full of facility with 136 rooms, located in Si Racha District, Chon Buri Province. This project can be generated the income by providing room service in 2022 in amount of 38.55 million baht increased by 7.98 or 26.12% from 2021 in amount of 30.57 million baht with the proportion equals to 9.71% of the income, service fee in consolidated of financial statement and having the average rate of occupancy in 2022 for 61.38%.
- 2 Sommerset Harbourview Sriracha project is officially available in March 2020 as a service apartment with full facility with 176 rooms located in Si Racha District, Chon Buri Province. This project can be earned the income from providing the room service in 2022 for 51.19 million baht increased by 1.71 million baht or 3.45% from 2021 in amount of 49.48 million baht while the proportion equals to 12.89% of the income of service fee in consolidated of financial statement and having the average rate of occupancy in 2022 for 52.39%.

The first branch of Syntec Public Company Limited which is the Duchess Hotel project is a service apartment with full of facility with room providing of 166 rooms located at Lang Suan Road, Lumpini, Pathumwan, Bangkok, earning the income from providing room service during the January until September 2022 totaling 51.59 million bath increased by 26.24 million baht or 103.47% from 2021 for 25.36 million baht, while the proportion is 12.99% of the service fee appearing in the consolidated financial statement and having the rate of occupancy during January until September 2022, the company sell the Duchess Hotel project which is a service apartment as of October 1st, 2023.

PT Tree Land Co., Ltd (a subsidiary company), the company has the plan to develop PT Tree Land Co., Ltd to operate the 3-4 stars business under the symbol of X2; X2 vibes Phuket Patong Center with 326

rooms and fully equipped with the facility which are restaurant, swimming pool, fitness center, recreation room, souvenir shop, and parking lot which are currently under preparation.

JT Ten Co., Ltd (a subsidiary company), the company has the plan to develop JT Ten Co., Ltd as a hotel with 6 floors with 120 rooms located in Soi Najomtien 10, Bang Lamung District, Najomtien Sub-district, Chon Buri Province, while providing full facilities by the hotel such as in room free Wi-Fi and in all common area, 24-hour front desk, non-smoking room, balcony room, sea view room, parking lot and transfer service from and to the airport and so on. In addition, there are also a full range of recreational facilities such as fitness center, sauna, public park, restaurant, and outdoor swimming pool etc.

Transfer back allowance for expected credit losses

The company has transferred back allowances for expected credit losses in 2022 in amount of 4.77 million baht increased by 100% comparing to the previous year based on the consideration of credit loss result as per the new conditions, resulted the company shall revert the transfer of allowances for expected credit losses in the financial statement.

Other income

The company has other income in 2022 for 40.51 million baht decreased by 33.86 million baht, in 2021 having 74.37 million baht or 51.79%. The main cause is from in 2021, the company has been granted approval to amortize the security deposit for work over 10 years into other income of 24.88 million baht.

Cost of construction

The ratio of building costs to construction income climbed by 11.25 % from 88.73 % in 2021 to 99.98 % in 2022. The primary expenditures include building materials fees, labor fees, and subcontractor wages, as well as the depreciation cost of the machinery and all equipment, with the primary expenditures fluctuating with the income. However, the company has a plan to control the price of construction materials and to implement new technologies to increase the efficiency of working performance, such as the Passenger Hoist and Tower Crane, as well as to invent new ways of working to improve the quality and productivity of construction work. Also, it enables time management, which is advantageous to the operation and adds to the greatest levels of efficiency and effectiveness. Regarding labor costs, the corporation intends to construct a sustainable artisan development initiative; however, qualified artisans are uncommon. In order to enhance the number of artisans on the domestic labor market, the Company has thus built a training center. In addition, the possibility to expand the potential of artisans, particularly skilled workers with specialized labor in each field of employment in 2022, will increase. The proportion of labor costs increases as a result of the company's labor costs, which must be increased annually in compliance with labor law. Labor expenses are the primary elements that determine whether a project will generate a profit or a loss, thus the company has devised a plan to keep labor costs within budget. In addition, the company continues to focus on labor to motivate employees to love the organization, utilizing a prospective development strategy (details in the development of workforce in section 3. Factor of risk)

Cost of room service

The company's cost of providing rooms service in 2022 will be 334.89 million baht, up from 317.02 million baht in 2021. This represents an increase of 17.87 million baht, or 5.64 percent, in line with the increase in service revenues caused by the recovery of the Covid-19 pandemic, the implementation of various easing measures, the promotion of domestic tourism, and the opening of the country to foreign tourists.

Administrative expenses

In 2022, administrative expenses will be 372,66 million baht, up from 360,31 12,35 million baht in 2021, an increase of 3.34 %. The expenses increase mostly due to the cost of referencing leasehold rights of The Duchess hotel and home project for 22.45 million baht, but expenses connected to supporting employees, customers, and subcontractors during the outbreak of Covid-19 in 2021 have been lowered, such as employee's meal and subcontractor during the project's suspension, which caused the construction site and worker camp to be closed, and Covid-19 vaccination cost.

Other expenses

Other expenses in 2022 in amount of 33.99 million baht in 2021 of 2.34 million baht increased by 31.65 million baht or 1,351.04%. The main result is from 2021 which has been set the impairment loss on assets-right-use of The Duchess Hotel project for 22.87 million baht and set the estimated allowances for trade receivables and other account receivables increased by 8.78 million baht.

Table ratio comparison showing profitability.

Ratio of profitability (Unit : Percent)	Consolidated financial statement			Separate financial statement		
	2022	2021	2020	2022	2021	2020
Gross margin rate (%)	1.23%	9.79%	8.90%	(0.08%)	10.57%	9.16%
Operating margin rate (%)	(8.02%)	2.29%	3.07%	(5.72%)	6.08%	5.34%
Profit net rate (%)	(7.93%)	1.20%	2.30%	(5.69%)	4.88%	4.58%

Tax policy

Syntec Construction Public Company Limited ("Company") adheres to business operations with transparency and honesty, thereby ensuring tax operations apply tax benefits correctly and completely to achieve maximum efficiency under the requirements of the law, including compliance with the financial and tax disclosure regulations to the government and all stakeholders, which is in line with the implementation of good corporate governance principles and adherence to the sustainable development goals. As the company believes that fiscal responsibility is an integral aspect of the future economic and social growth of the country as a whole, it is committed to being a tax-responsible corporate citizen.

Best Practices

1. To conform with all taxes rules and regulations, including the utilization of tax benefits to maximize the company's and the government's benefits.

2. To ensure the company's liquidity, tax returns must be submitted and refunded within the required deadline.
3. To perform a regular study and consideration of tax consequences, if new laws or tax policies are released, or if the firm conducts new transactions, which shall be considered to the highest benefit of the company first.
4. To carry out tax preparation and study on laws and regulations in order to properly apply the rules, defined procedures, and conditions.
5. To arrange for responsible parties and understanding as the liaison officer with the government agencies for smooth operation and accuracy, and to reduce the risk of tax disputes, including providing accurate information about the company's operations in response to complaints or requests for inspections from the government agencies.
6. The company must provide relevant employees with taxes expertise in order for them to perform their duties effectively.

Taxation operation

The company prescribes the taxation policy and supervises the operation and use of tax benefits for the highest possible benefits under the law, including the compliance with the regulation of financial information and tax disclosure to the government sector and other stakeholders. While the company believes that good tax obligations will be an integral element of the future economic and social development of the country, it is also focusing on economic growth alongside development and corporate social responsibility to the fullest extent of its capacity.

Tax Reports

In 2022, the loss before tax was 409.46 million baht and corporate tax was (0.66) million baht according to the actual tax rate of 46.79 percent, which is different from the actual tax rate of 26.79 percent. For the net profits of the business that earned from the privileged of tax in 2022 as follows:

Decree No. 437 related to expense for staff training	0.07%
Total tax benefits	0.07%

Tax Risk Factors

The company is aware of the financial and non-financial tax risks that may affect its operations and therefore provides the following risk assessment.

- 1) Employees have erroneously interpreted the laws, regulations, and taxes.
- 2) Employees lack regular access to tax information.

Consequently, the following constitute a systematic management plan, operational design, and internal control.

- Promote knowledge and understanding of taxes to relevant employees.
- Monitor law, criteria related to tax operations in order for the company to comply with the law correctly and completely.

3) Analyze and assess tax risks.

- Analyze the tax impact if there are changes in laws or regulations so that the company can plan for the potential impact on the company.
- In case of doubt, the officers of the relevant company will coordinate with the revenue officer to get advice.

Term credit policy with customers

To comply with the Competition Commission on Trade Notification Regarding fair-trade practices regarding credit terms, the Company has established a maximum payment period of 30 days from the date of billing to the customer. Authorization must be approved by the Chief Executive Officer (CEO) and Managing Director (MD) solely if it is modified for reasons other than commercial necessity.

In 2022, the actual average term credit period aligned the company's policy on term credit.

5.) ข้อมูลทั่วไป และ ข้อมูลสำคัญอื่น

General Information and other Important Information

5) General Information and other Important Information

5.1) General Information

Name	Syntec Construction Public Company Limited	
Business Type	Construction Contracts and Civil Engineering Works	
Headquarter Address	555/7-11 Soi Sukhumvit 63 (Ekamai), Sukhumvit Road, Klong Ton Nua Sub-district, Wattana District, Bangkok 10110 Thailand	
Company Registration No.	Registered as Juristic Person as Limited Public Company Act on October 14, 1992 (B.E. 2535), Registration No. 0107535000184 (Previously BorMorJor.51)	
Telephone	0-2026-2288	
Facsimile	0-2711-4596	
Homepage	www.synteccon.com	
Investor Relation	0-2711-7423 or 0-2026-2288 # 1831 # 1832 // E-mail: ir@synteccon.com	
Registered Capital	1,590,957,300 Baht	
Common Stock	1,590,957,300 Shares	
Par Value	1.00 Baht per share	
Auditor	<p>Ms. Kannika Wipanutrat: CPA License No.7305</p> <p>Mr. Jirote Sirirorote: CPA License No.5113</p> <p>Ms. Nongluk Pattanabundit: CPA License No.4713</p> <p>Mrs. Soomana Saneewong Na-Ayutthaya: CPA License No.5897</p> <p>Mr. Gomin Linpradya: CPA License No.3675</p> <p>Mr. Worapol Wiriyakulpong: CPA License No.11181</p> <p>Mr. Poj Asawasantichai: CPA License No.4891</p> <p>Mr. Wichien Prungpanich: CPA License No.5851</p> <p>Ms. Gotchamon Sunhuan: CPA License No.11536</p> <p>Mr. Kraising Teeranurak: CPA License No.5428</p> <p>Karin Audit Co., Ltd.</p> <p>No.72 CAT Telecom Tower, Floor 24th, Charoen Krung Road, Bangrak Sub-district, Bangrak district, Bangkok. 10500 Thailand</p> <p>Tel. (662) 105-4661 Fax. (662) 026-3760</p> <p>Email: audit@karinaudit.co.th</p>	
Share Registrar	<p>Thailand Securities Depository Company Limited (TSD)</p> <p>The Stock Exchange of Thailand Building</p> <p>93 Ratchadaphisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok 10400</p> <p>Tel. 0-2009-9000 Fax. 0-2-009-9991</p>	

More than 10% of Shares held by Juristic Persons

COMPANY NAME & ADDRESS	BUSINESS TYPE	NO. OF ENTIRE SHARES	NO. OF SHARES HELD BY THE COMPANY	PAID-UP SHARE CAPITAL	SHARES' EQUITY (%)	TYPE OF SHARE
1. SCR Asset Management Co., Ltd. 555/7-11 Soi Sukhumvit 63 (Ekamai), Sukhumvit Road, Klongtoey-Nua, Sub- district, Wattana District, Bangkok 10110	Development of Real Estate for Rent	6,000,000	4,080,000	4,080,000	68.00	Ordinary
2. Natural Ville Service Apartment and Management Co., Ltd. 555/7-11 Soi Sukhumvit 63 (Ekamai), Sukhumvit Road, Klongton Nua Sub-district, Wattana District, Bangkok 10110	Human Resource operation and management for the Business of Hotel& Service Apartment and other Properties for Rent	20,000	19,997	19,997	99.97	Ordinary
3. CSM Capital Partners Co., Ltd. 555/7-11 Soi Sukhumvit 63 (Ekamai), Sukhumvit Road, Klongton Nua, Sub-district, Wattana District, Bangkok 10110	Investment and Development on Real Estate for Rent	13,600,000	8,160,000	8,160,000	60.00	Ordinary
4. PT Three Land Co., Ltd 555/11 Soi Sukhumvit 63 (Ekamai), Sukhumvit Road, Klongton Nua ,Sub-district, Wattana District, Bangkok 10110	Development of Real Estate for Rent	1,200,000	959,760	959,760	79.98	Ordinary
5. JT Ten Co., Ltd 555/11 Soi Sukhumvit 63 (Ekamai), Sukhumvit Road, Klongton Nua ,Sub-district, Wattana District, Bangkok 10110	Development of Real Estate for Rent	1,400,000	1,189,720	1,189,720	84.98	Ordinary
6. AN 8 Co., Ltd 555/7 Soi Sukhumvit 63 (Ekamai), Sukhumvit Road, Klongton Nua ,Sub-district, Wattana District, Bangkok 10110	Development of Real Estate for Rent	1,300,000	103,870,000	103,870,000	79.90	Ordinary
7. SHG Management Co., Ltd 555/11 Soi Sukhumvit 63 (Ekamai), Sukhumvit Road, Klongton Nua ,Sub-district, Wattana District, Bangkok 10110	Operation and Management for the Business of Hotel & Service	90,000	63,000	63,000	70.00	Ordinary
8. Delta Infra One Co., Ltd 555/11 Soi Sukhumvit 63 (Ekamai), Sukhumvit Road, Klongton Nua ,Sub-district, Wattana District, Bangkok 10110	Provide one-stop energy management service	170,000	152,992	152,992	90.00	Ordinary

5.2) Other Important Information

- None-

5.3) Legal disputes

As of 31 December 2022, the Company had 3 cases of legal dispute that have not been final and arose from normal business operation and may have a negative impact on the Company's assets with amount of amount claimed higher than 5% of shareholders' equity:

1) Administrative case at the Central Administrative Court, Pending Case No. 2206/2012, with details as follows:

Between	Syntec Construction Public Company Limited,	1 st Plaintiff
	Mivan (Thailand) Company Limited	2 nd Plaintiff
	National Housing Authority,	Defendant
	Pending Case No. 2206/2012	
	Capital amount claimed: 874,250,718.11 baht on the offense of breach of construction contract	
Date of Filing:	7 September 2012	
Ground of action:	Whereas the Company joined the Syntec-Maivan Joint Venture (SMJV) with Mivan (Thailand) Co., Ltd. ("Mivan") in proportion at 65%: 35%, respectively, to undertake the construction of the Baan Eua Arthorn Project from the National Housing Authority (the Employer) of 50,000 units, but in 2006, the coup took place, then the project was unclear and had to delay operation so that SMJV was damaged. The SMJV requested and received approval to reduce the units of construction to 13,674 units. The construction process had been completed and delivered but there was still an outstanding payment to the Company, causing damage to the Company.	
Progress of the lawsuit:	The Central Administrative Court dismissed the lawsuit and had the Company to make payment to the National Housing Authority in amount of 25,317,134.51 baht with interest at 7.5 percent per annum of the amount of 21,248,137.63 Baht from 7 July 2015 onwards. The Company filed an appeal with the Supreme Administrative Court. The case is under consideration by the Supreme Administrative Court.	

Opinion of the Legal Department:

The delay in construction of the project was not caused by SMJV's fault, but rather a slowdown by the National Housing Authority. And the delay in payment of construction costs resulted in the construction work. This caused the damage to SMJV with expenses from the project preparation after the break in terms of equipment, land, fee, letter of guarantee, acceleration control fee from project delay and others which are actual damages. Thus, SMJV has the right to sue for damages from the National Housing Authority according to the lawsuit. It is expected that the Supreme Administrative Court will have a reversal of the judgment of the Central Administrative Court having the National Housing Authority to pay damages to SMJV.

2) Civil case at the Southern Bangkok Civil Court, Case No. Phor. 2619/2018, with details as follows.

Between: Syntec Construction Public Company Limited, Plaintiff
Chulalongkorn University, Defendant
Capital amount sued: 59,848,234.78 baht on the offense of breach of construction contract

Date of Filing: 27 September 2018

Ground of action: The Company undertook construction of the Chulalongkorn University Centenary Park Project, which has been completed and delivered. The Chulalongkorn did not make the final payment with deducting the late work penalty of 57,190,386.24 Baht

Opinion of the Legal Department:

The construction delay is not the Company's fault but caused by problems such as waiting for conclusion of the work, some of the construction designs did not meet what approved by the government, change in design, flooding inside the project because the level is lower than the area outside the project, death of many trees requiring replanting causing the delay. These are not the fault of the Company. Therefore, it had the right to an extension of frame time of work. Chulalongkorn had no right to charge such late work penalty. It is expected that the court will have a judgment for Chulalongkorn to refund the late work penalty deducted to the Company in accordance with the plaint.

Progress of the lawsuit: The Court of Appeal issued a judgment dismissing the case while it was in the process of filing a petition and submitting a request for authorization to petition on 16 November 2022.



3) Civil case at the Southern Bangkok Civil Court, Pending Case No. Phor. 614/2019 are detailed as follows.

Between: Major Residence Company Limited, Plaintiff
 Syntec Construction Public Company Limited, Defendant
 Capital amount claimed: 247,648,129 baht on the offense of breach of the construction contract.

Date of Filing: 13 March 2019
 The Company filed a counterclaim for the capital amount claimed of 78,553,421.41 baht on the offense of breach of the construction contract

Date of Counterclaim Filing: 20 June 2019

Ground of action: Major Residence Co., Ltd. hired the Company for construction of the Mark Sukhumvit Project. The construction of the project was completed and delivered on 12 October 2017, but the Major Residence did not accept the work and failed to pay the unpaid wages and would claim the delay during the construction. The work was delayed due to the problems of the Major Residence Company, not the Company's fault. The Major Residence therefore extended the construction period from the original schedule, which would end on 9 August 2016, extending for 2 times: The first time, it was extended to 31 December 2016; The second time, it was extended to 15 September 2017. After the extension, there were still problems in the design of construction of the structure of the parking area on the west of the building, unable to support the load, thus causing cracks due to the design of the construction of the parking area, which cannot support the load.

Major Residence Co. Ltd. hired other contractor to fix the work by adding steel and cement to add thickness only under the area of the parking lot in question to support the load, resulting in no cracks to occur. In addition, the Major Residence Co. Ltd. Also did not accept natural marble material work in the project entrance. Once installed and used for 1 year, the marble had natural stains from sunshine and rain. In this regard, before installing, the Major Residence had inspected the marbles and approved for installation. And

there was also a problem of paving stones on the pavement using natural stone as well. The color of the stone faded as vehicles passed over the period of use. And before the installation of the stone, the Major Residence had inspected and approved the use of stone materials for installation as well. And there were other problems after the Company had delivered the construction work and the Major Residence had opened the building for customers to accept ownership transfer to live in the building.

Opinion of the Legal Department: The Major Residence had outstanding payment from the 44th to the 47th installment, totaling 4 installments, amounting to 47,237,775.61 baht, and the expenses incurred during the construction period extension of 32,618,032.47 baht, totaling 66,855,808.08 baht. The Company demanded for payment, but the Major Residence ignored. This is considered that the Major Residence breaches the contract. Accordingly, the Company has the right to terminate the contract. As the Major Residence filed a lawsuit for late work penalty and other damages in total amount of 247,648,129 baht, which is not true, the Company did not breach the contract, therefore does not have to pay the late work penalty and other damages according to the plaintiff. The Company has the right to file a testimony and counterclaim requesting the Major Residence to pay the principal amount. 75,408,717.84 baht plus interest of 3,144,703.57 baht. The capital amount claimed of 78,553,421.41 baht, the Major Residences Company Limited has to pay the Company according to the counterclaim.

Progress of the lawsuit: On 29 September 2022, the Civil Court of Southern Bangkok issued a judgment ordering Major Company, the plaintiff, to pay the Company 71,808,718.04 baht plus 7.5% interest per year on each principal from the due date until 10 April 2021 and 5% interest per year from 11 April 2021 onwards. The judgment ordered the Company to return the Bank's Letter of Guarantee and pay the fee in the amount of the case's winning by stipulating a lawyer's fee of 500,000 baht instead. The case is now between the Company and the plaintiff's appeal.

5.4) Secondary Market

- None –

5.5) Financial institutions that are in constant contact (Only in the case of issuing debt securities)

- None –

2

การกำกับดูแลกิจการ

Corporate
Governance

6.) นโยบายการกำกับดูแล กิจการ

Corporate Governance

6) Corporate Governance Policy

Syntec Construction Public Company Limited (“the Company”) realizes the importance of management in accordance with good corporate governance principles by defining the corporate governance in according to the meaning of the Stock Exchange of Thailand. It is a system that provides a structure and process of relationship between the Board of Directors, the management and the shareholders to build competitiveness, leading to growth and adding value to shareholders in the long term with consideration of other stakeholders.

The objective is the company can run a business with honestly, sincerely, reveal, equitable and verifiable. For the efficiency operation and achieve the target.

Board of Directors therefore has prepared a handbook on corporate governance policy. It contains details about the good corporate governance guidelines, management practices, roles and duties of the Board of Directors and internal control. The corporate governance policy is posted on the Company's website for outsiders to be informed. There is an internal communication within the Company for the directors, executives and employees to understand and implement.

6.1) Overview of the corporate governance policy and practices

6.1.1) Policies and guidelines related to the Board of Directors

The Board of Directors has established a good corporate governance policy and prepared a handbook on corporate governance policy containing details about the good corporate governance guidelines, management practices, roles and duties of the Board of Directors and internal control, including monitoring and evaluating implementation of the said policy at least once a year, and the Company has published it to directors and employees for reference and practice, as well as publishing on the Company's internal website.

The Board of Directors are role for leader that take responsibility for benefit of corporate administration. Their functions are target specification, strategy and business proceed policies. Comprehend proceed supervise follow-up and reveal the company profile by take responsibilities discharge, carefully and cautiously, honestly for the extreme benefit of company. Also be equitable for accessory under principle of good corporate governance. In addition, they also have intendancy in governance management for manage following the specification policies.

In 2022 the sustainable committees presented to the company committees for adjustable considering “good corporate governance policies” in harmony with the good corporate governance or CG Code in attention for the good practical model of company committees, board of director and every level employee.

Furthermore, at the Board of Director Meeting No. 12/2022 on December 12, 2022. Voted to revision approved “Business Ethics” to improve and promote company's and subsidiary corporate governance

continuously. In attention to director, board and all employees have knowledge and understanding about business ethics, realize with the duties and responsibilities. Be able to use the guidelines concerning about business ethics. Receiving complaint and acquisition offense clue and corruption (Whistle Blowing) involve determine follow-up process and following the business ethics management and always revision.

6.1.2) Policies and practices related to shareholders and stakeholders

Anyway, the company have practice follow the principle of the good corporate governance for registered in 2017 (Corporate Governance Code for Listed Companies 2017) determined by the Committees of Stock and Stock Market Governance and principle of good governance to listed company put into practiced. Last year, the company still follow the principle of good corporate governance continuously by separated to 5 categories as follows.

Chapter1 Shareholder Rights

The Company realizes and values the rights of shareholders by not taking any action in violation of rights of shareholders. The Company takes into account the basic rights of shareholders, i.e. equal dividends, right to communicate with each other, right to propose an agenda, right to nominate directors, right to submit questions in advance, right to attend shareholders' meetings and vote, right to appoint a proxy to attend the meeting and vote on their behalf, right to express opinions and ask questions in the shareholders' meeting, right to vote to elect individual director, right to consider remuneration for directors and right to vote to appoint and determine audit fee. In addition, the Company does not hinder or create obstacles for shareholders to communicate with each other.

In addition, the Company has required that the Board of Directors should respect the rights and treat all groups of shareholders equally, especially the minority shareholders, foreign shareholders and institutional shareholders, as well as having a policy to facilitate and encourage all shareholders, including institutional investors to attend the shareholders' meeting of the Company by conducting the shareholders' meeting in accordance with the law and shareholder meeting guidelines. In 2021, the rights that the shareholders received are as follows:

- 1) The right to receive share certificates and the right to buy, sell or transfer shares

The Company has appointed Thailand Securities Depository Co., Ltd. to act as a securities registrar to facilitate the shareholders for dealing with the Company's securities registration.

- 2) Right to attend shareholder meeting.

Schedule of the shareholders' meeting

The Annual General Meeting of Shareholders is scheduled to be held once a year within a maximum of 4 months from the end of the fiscal year. The schedule of the AGM 2022 meeting has been revealed to the shareholders in advance. The publish date is on 11th March, 2022 for the shareholders they will be able to fix the time to attend the meeting on the scheduled date. At the meeting, the Company is ready to make

convenience to the attendants and it has the policy not to arrange the meeting on official holidays and bank holidays, meeting time at 8.30 – 16.00 hrs.

The meeting was held on April 29th, 2022 meeting time between 09.00 – 12.30 hrs. The company has at SYNTEC Construction PCL., Head Office, at Meeting room on 23rd floor, No. 555/7-11 SSP Tower Building, Soi Sukhumvit 63 (Ekamai), Sukhumvit Road, Klongton Nua Subdistrict, Wattana District, Bangkok 10110. The meeting was held via electronic system. According to Emergency Decree on Meetings via Electronic Means, B.E.2563 (2020) to prevent the outbreak of COVID-19. The company applied an E- AGM meeting management service from Quid Lab Co., Ltd., which is a system that complies with the announcement of the Ministry of Digital Economy and Society regarding security standards for meetings via electronic means B.E. 2563 (2020), as well as being certified for the meeting control system by Electronic Transactions Development Agency.

Notice of Invitation to attend the meeting

The company sends the notice of invitation to attend the meeting with meeting Documents both Thai and English edition to the shareholder at least 21 days in advance. For the purpose of the shareholder perceived considering subject in conference. Incorporating with the objective specification and justification with the obviously director comment in each term. Due to term director nominate, we will specify each director name and resume that represent for appoint to the shareholder perceive. Agenda for appointing auditor will specify auditor's name, affiliated company, Independence and being a company auditor period. Include obviously auditor compensation. As well as pay dividends suggestion approve, company will announce pay dividends policy, offering dividend rate along with shareholder considering reason and information.

However, in shareholder meeting, company will announce list of dependence director in notice of meeting at least 2 people. In order to shareholders who cannot participate the meeting can proxy to independence director or proxy to other who shareholder consider approve.

- Supplying notice of Invitation to attend the meeting

Thailand Securities Depository Company Limited who is the registrar of company, and handler supplying notice of invitation to attend the meeting, type B and type C proxy, with annual report both Thai and English edition. Supplying to the shareholders before meeting date at least 21 days. In this year, supplying to shareholders since April 4th, 2022, for the purpose of shareholders have enough time to study in details of each term and preparing proxy in case of inconvenience to participate in the meeting. Also the company preparing the revenue stamp for attach proxy in front of the meeting room without any hidden costs.

In addition, the company announces notice of meeting, proxy, with the meeting documents both Thai and English edition through company website (www.synteccon.com) at least 30 days. To be other channel for shareholder perceive and also has advertisement notice of meeting in the newspaper for 3 days continuously from April 20th - 22nd, 2022.

- Holding the Shareholder meeting

In shareholder meeting, company will facilitate every section, for example, providing the staff for take care of and give the recommendation, for example, providing the document checking staff, providing shareholder entertain.

In 2022, company manage the general meeting on April 29th, 2022. Totally participate directors for 8 people and participate shareholders 47 people, including the total number of shares 732,987,481 shares. From total number of shares sold 1,590,957,300 shares as a percentage 45.8117 of total number of shares sold, consist of shareholders who participate the meeting by themselves 8 people counting. As counting shares 1,357,100 shares as a percentage 0.0848 and total proxy 39 people, counting as number of shares 731,630,381 shares as a percentage 45.7269. Which complete the quorum according to regulations of company and public act. There are the shareholders participate the meeting by themselves or proxy other to participate at least 25 people and counting total shares at least 1/3 Total number of shares sold. There is an auditor participate in this meeting his name is Mr. Gomin Linprachaya from Karin Audit Company Limited. In order to make the meeting to be transparent and in line with the best practices for organizing the shareholders' meeting of listed companies., regarding the meeting was held via electronic means and voting was done through the system already. Therefore, the Company did not appoint a shareholder's representative to act as an independent mediator (Inspector) and inspected the vote counting in this meeting.

Procedures on the day of Shareholder meeting

In 2022, there still was Covid-19 pandemic, therefore the company decided to conduct the meeting via electronic method. Before the meeting started, Chairman of meeting assigned secretary of the meeting to explain the method of voting and clarify counting vote in each term according to the article of association. Voting in each agenda shall be openly voted by the shareholders. The secretary of the meeting asked in the meeting whether any shareholder who approves, disapproves or abstains from voting, the box be ticked to agree, disagree or abstain through the screen of the shareholder and then press the send button. Once the voting has been submitted, shareholder will receive a notification message for "Vote sent successfully". If any shareholder does not have any action, it will be considered as agreeing. Also, if there is no shareholder who disagrees or abstain, will be considered that the meeting has unanimously approved or agreed with the proposal of the Board of Directors. Shareholder who made the proxy form allow others to attend the meeting via meeting in electronic method and in a voting form according to the wishes of that proxy, the company will bring votes of approval, disapproval or abstention.

According to the wishes of the proxy grantor that has specified the voting in each agenda in the proxy form come to count the votes according to the wishes of the proxy grantor.

When the vote collection for each agenda was completed, the secretary in the meeting will report the voting results to the meeting before started to the next agenda. The number of shareholders or proxies in each

agenda may not be equal as there may be some shareholders or proxies attending the meeting additionally and Shareholders can check the quorum and voting results by clicking on the voting results menu.

The methods for submitting questions in each agenda of today's general meeting of shareholders are as follows:

Before voting in each agenda, Chairman will give the shareholders an opportunity to submit appropriate questions in each agenda by typing your question in the chat window, by clicking on the question menu and type a message to ask a question into text box then press the Enter key on your keyboard to send the question. When your message has been sent to company's staff, the message will appear in the top window which other shareholders could not see your message except company officers. The Board of Directors will answer your questions using this electronic conferencing system. Other shareholders can hear the answer to that question as well.

However, meeting attendance via virtual, all questions and answer, voting and all procedures were explained to shareholders in accordance with the E-AGM Access Manual which was sent to shareholder register email.

Procedures after the day of Shareholder meeting

- Disclosure the meeting vote

Company will publish the shareholder meeting resolution at the general meeting by announce newsletter to Thailand Stock Exchange. And publish on the company website after the meeting finish.

In 2022 company publish the meeting vote at April 29th, 2022.

- Minutes of the shareholders' meeting

Company will publish the minutes correctly and completely both Thai and English edition. By each meeting term, consist of the principle content, meeting resolution and vote result both agree, disagree, abstain and voided ballot. Along with record question, explanation and comment in the meeting. Incorporate name list of the director who participate the meeting with their position on company website within 14 days from the meeting day. To be the channel that shareholder can examine accuracy. And submit to the Ministry of Commerce within the time specified by the law. The meeting was

also recorded and published on the company's website. So that those who are interested can watch it backwards as well. In 2022, company have been published meeting minutes in May 11, 2022.



The right to consider the remuneration of director.

The company follow the policy guideline and presentation and consider compensation. To be function of determine the format and guideline of director compensation payment by company make an appointment Nomination and Remuneration Committee. To act the format consideration and the Guideline of director compensation payment. Consideration by size of business, overall economic condition, turnover. Including consider with the competitor in the same industry which is at a competitive level and reasonable. Including present director compensation in every form, for example, meeting allowance, pension etc. company suggest the shareholder to considering approve in annually shareholder general meeting. Following the company act, section90 determine that “the director compensation following the shareholder meeting resolution, consist of vote that not less than 2/3 of total shareholder meeting vote”.

However, the shareholder meeting in 2022, shareholders had a resolution to approve compensation to director and audit committee, there are details as follow;

Committees Compensation schedule

Compensation	2022	2021	2020	2019	2018
1. Board of Directors					
- Meeting allowance (Baht/person/time)	18,000	18,000	18,000	18,000	18,000
2. Audit committee					
- Gratuities (Baht/person/year)	300,000	310,000	310,000	330,000	350,000

From the schedule shown that board of director meeting allowance in 2022 is not different from the meeting allowance in 2020 which is 18,000 Baht/person/time and the gratuities of audit committee decreased 10,000 Baht or 3.22%. However, to compensate the audit committees who have the principal role in present the useful suggestion that benefit in business, legal, accounting, financial information review, internal control system and good governance.

Section2 Equitable treatment of shareholders

The company has policy to Equitable treatment of shareholders and to be justified to the shareholders both principal and minor, institution investor. Including the foreigner shareholder. By consider to the Maintaining the fundamental rights of shareholders. The information is equally complete. So the shareholders have confidence in their investment

1) Notice of meeting have the details of agenda and Complete and sufficient supporting documents. Clearly specify whether it is an agenda for acknowledgment or consideration by specify director 's opinion, any meeting criteria, map and detail of meeting location, document that the participants have to show before participate the meeting and proxy attach the proxy form as prescribed by the Ministry of Commerce.

2) Before participating the meeting agenda, the meeting secretary informed the shareholders of the rules and regulations use in the meeting, type of shares, right to vote, step of vote, counting and show the result of vote.

Protection of Minority Shareholders' Rights

1) The Company gives shareholders the opportunity to have the right to propose meeting agendas. nomination of persons to be appointed as director and submitted questions about the company in advance before the meeting date. By clearly defining channels and criteria. To demonstrate fairness and transparency in considering and informing shareholders. including publishing such guidelines on the Company's website. For the shareholder meeting in 2021 the company has published such guideline on the website of the Stock Exchange of Thailand since September 1, 2021 to November 30, 2021. Totally 91 days, which within that period "No shareholder proposed any matter or any person to the company".

2) In case of the shareholders inconvenient to participate meeting himself, Shareholders can appoint other persons or independent directors as nominated by the company. The Company will grant the right and treat the proxy as if they were a shareholder. However, the company will send a proxy form Type B and Type C attach with notice of meeting both Thai and English edition at least 21 days before the meeting date. The company will clearly inform the documents and evidence required for the proxy.

The sequence of agendas specified in the invitation letter without any change in the order of the agenda of the meeting invitation, do not change any important information without notifying the shareholders in advance. Do not suddenly distribute documents containing additional important information. And do not limit the right to participate the meeting of shareholders who are late etc.

Section 3 Roles of Stakeholder

The Company respects the rights of stakeholders. The Board of Directors has set a policy on the role of stakeholders in the good corporate governance policy. To ensure that various stakeholders will be taken care of. Receive rights under the relevant laws, including not taking any action which infringes on the rights of stakeholders. The company has policies and guidelines for each group of stakeholders as follows,

3.1) Shareholders

The company will operate its business with good governance. As well as any action with due diligence and fairness to all shareholders and is committed to building a business for a stable and sustainable financial condition to increase the maximum share value for shareholders.

3.2) Employees

The company recognizes that employees are the key factor in building a company's success. Therefore, employees have been taken care of by providing reasonable and fair compensation. And according with the Company's performance in both short-term and long-term. Which can compete in the same industry. Including using OKR as a measuring tool. In addition, the company has a policy to develop personnel to have

high knowledge and skills. And provide various welfare, medical welfare and activities to strengthen employee relations.

3.3) Customer

The company aims to operate its business with the intention of presenting products and services to customers with standards. The quality meets the objectives of the customer and according to the terms of the contract. And will reveal information about products and services in its entirety, accuracy and not distort. And will keep the customer's secret. Without using the information in a wrong way or for the benefit of oneself and those concerned.

3.4) Competitors

The Company aims to conduct construction business under fair and ethical competition. By supporting and promoting the policy of free trade competition, equitable, no monopoly and there is no policy to compete in trade by any means obtaining competitor information illegally and unethical.

3.5) Partners

The Company has a policy to treat all business partners equally. Opportunity for all partners to offer products and services equally. No one partner will be excluded from participating in the competition. Business operations with business partners will be based on obtaining equitable and reasonable benefits for both parties.

3.6) Creditors

The company will comply with the conditions, contract terms and strictly financial obligations. Especially terms of guarantee, will accurately report the financial position to the creditors in accordance with the terms of the contract, completely. And in case of the conditions cannot be complied with, notify the creditor in advance in order to jointly consider a solution.

3.7) Practice to government sector

The company will respect the law, strictly according to the regulations set by the government. Including supporting government policies for the benefit of the nation and no action that violates labor laws, employment, trade competition and environmental term.

3.8) Community and society

The company focus on communities and society. Therefore, there are policies and guidelines that express social responsibility. No action that has a negative effect on the community, society and public benefits. As well as continually support activities for community and society development.

3.9) Environmental

The company operates in accordance with environmental regulations and laws. Covering air quality, volume level, vibration and sewerage. As well as supporting environmental conservation and campaigning for efficiently use of energy and resources.

Complaints and Whistleblowing

The Company has set up complaints and whistleblowing channels for all stakeholders who are affected by the Company's operations. Or from the performance of duties of executives or employees in relation to illegal acts. No practice follows the ethics. including having behaviors that been shown corruption Complaints or suggestions can be sent to the following channels:

WHISTLEBLOWER	WHISTLEBLOWING OR COMPLAINT CHANNEL		
	VIA E-MAIL	BY PHONE	BY MAIL
Audit committee	auditcommittee@synteccon.com	0-2026-2288 ext 1825, 1829	5 5 5 / 7 - 1 1 Soi Sukhumvit 63 (Ekamai)Sukhumvit Road, Khlongton Nua,Wattana Bangkok 10110

Process of operation when receive Complaints and Whistleblowing

1) When receiving a whistleblower or complaint, the company will respond to the receipt of complaints within 7 working days and assign to the Internal Audit Department or other appropriate departments. Conduct fact-collection to scrutinize the information received. In the case of checking, it was found to be true, the Internal Audit Department or other assigned departments will be presented to the Audit Committee and the Board of Directors. For acknowledgment and ordering or setting guidelines for action and appointing a committee to investigate facts.to continue considering the relevant part later.

2) After the investigation committee has already checked the facts. Will suggest guidelines for the operation to the Audit Committee and the Board of Directors. to consider ordering the determination of corrective action guidelines and consider stipulating further penalties.

3) When the investigation ending, the company will inform the whistleblower, complaint perceive the investigation result within 7 working days.

Whistleblower or complainant protection measure

1) Whistleblower, the seeker of advice, complainant or those who cooperate in the investigation of facts, the company will not disclose any information that can identify the notified.

2) The company will keep the relevant information in secret. Will reveal only necessary taking into account the safety and damage of the whistleblowers, seeking advice, complainants or who cooperate in the investigation of facts.

3) In the case of a whistleblower, a requester for advice, a complainant, or a person who cooperates in the fact-finding investigation see that they may not be safe or damage may occur can request the company to specify appropriate protection measures or the company may impose protection measures without being requested. If it is seen that it is likely to cause trouble, damage or serious insecurity

4) Those who have suffered damage will be compensated with appropriate and fair damages.

5) The Company will not take any unfair action against whistleblowers, seekers of advice, or complainants. Fairness protection for employees who refuse or report clues about corruption of the company by employees will not be reduced. Penalties for demoting or having a negative effect on employees even if doing so will cause the company to lose business opportunities or perform any other acts that are unfair to whistleblowers, seekers of advice, complainants, or co-operators in the investigation of the fact.

6) The Company has no measure to prosecute the Company's employees for whistle-blowing, complaints, even if such actions may damage the Company's benefit.

Section 4. Disclosure of Information and Transparency

The Company has the policy that reveals Information to investors and shareholders equally and the Company will disclose the financial information and non-financial information which is complete, accurate, and transparent

1) Shareholder Structure

The Company has clearly disclosed its shareholder structure with details Shareholder Structure Major Shareholders and Minority Shareholders they are the most recent information, resulting that the investors realize lists of shareholders of the company.

2) Reporting of Securities Holding of Directors and executives, both directly and indirectly

The company requires directors and executives to report their securities holdings. And report on changes securities holdings. Including spouse and child that not reach his legal age. The details are as follows,

Reporting of Securities Holding and Report on changes in securities holdings According to Section 59 of the Securities and Exchange Act in BE 2535. within 3 working days from the date of purchase, sell, transfer or accept transfer to the Office of the Securities and Exchange Commission. Including prohibiting the trading of the Company's securities during one month prior to the release of the financial statements to the public and should wait for 48 hours before start normal trading. If there is a director or executive who violates the said policy, the company will give warnings and punish according to the discipline of the company.

Report to the Board of Directors of the Company's stock trading at least one day prior to trading and report changes in securities holdings to the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand and send a copy of the report to the company.

3) Director's Conflict of Interest Report

The company requires directors and executives to report to the company their interests or related parties. According to Section 89/14 of the Securities and Exchange Act B.E. 2535. as amended by the Securities and Exchange Act (No. 4) B.E. 2551. To provide the company with information to support the operations in accordance with the requirements of related transactions which is a transaction that may cause a conflict of interest and may lead to the transfer of interests of the Company and its subsidiaries.

During the year 2022, there is no any commitment from the board director, executive and stakeholder who may cause conflicts of interest of the Company.

4) Disclosure, internal information usage and confidentiality

The company has a policy to disclose information. use internal information and confidentiality in writing for director. All executives and employees strictly implement it. By stipulating that director, executives and employees must not use inside information of the company. Including information of the company's business partners. for their own benefit or provide inside information to other people, including board and executive. have a duty to strictly follow, consider internal information, business information That has not been disclosed to the public is important and confidential information of the Company. If disclosed, it will affect the company. Therefore, the Company's personnel must keep inside information confidential. Unless authorized to disclose or when the law forced to disclosure

5) Connected transaction and related transaction

The company determined connected transaction and related transaction policy. By directors, executives and all employees must strictly follow. By the procedures and process for considering and approving the transaction. As well as disclosure of information in accordance with the guideline, and the announcement of the Board of Governors of the Stock Exchange of Thailand. Re: Disclosure of Information and Practices of Listed Companies on Connected Transactions, 2003

In this regard, the performance of duties of directors, executives and all employees must focus on interests of company. Avoid having any personal interests. that will have a negative effect on the performance of duties or make it difficult to do the duties properly and efficiently under the legality and ethics. The Company has disclosed information about connected transactions in the form of annual information report / annual report (56-1 One report) completely. In addition, director, executives and employees are prohibited from conducting business or engaging in businesses that compete with the Company. This is clearly stated in the Company's Ethics. But if there is a connected transaction or a transaction that has a conflict of interest. Must be considered and approved by the Board of Directors before proceeding. Including disclose the name information, the relation between connected people, value of transaction, reason and necessity in the annual registration statement / annual report (56-1 One report). According to the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission. Including the Audit Committee must attend the meeting to consider and supervise the fair transactions, reasonable taking into account the best interests of the company.

In the year 2022, the Company has not made any connected transactions in violation of and/or does not comply with the rules of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. Including the company does not have a business group structure that has connected transactions in a manner that may have a conflict of interest.

6) Communication channel

Disclosure of information of the company, both financial and non-financial by operating through various channels so that shareholders and stakeholders can get thorough information, for example, notification system

of the Stock Exchange of Thailand, the company website that have both Thai and English information, face-to-face information (Company Visit) and meeting with securities analysts (Analyst Meeting).

In 2022, the company disclosed the financial statements. Discussion and analysis of financial position and results of operations (Management Discussion and Analysis) to the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand every quarter. There is no record of late delivery of financial reports and no record of being ordered to amend financial statement.

7) Investor Relations

The company provided the Investor Relations (Investor Relations) to serve as a communication for general investors, securities analyst. And to be the center of disclose information oversee the financial reporting process. To show the results of operations consistently and completely according to reality. By disclose information in the suitable time through the channels, example, website, telephone, Notification system of the Stock Exchange of Thailand and the Securities and Exchange Commission.

Section 5 Responsibility of the board of director

The Board of Directors has established policies on roles and duties and the responsibilities of the Board of Directors in the good corporate governance policy. (The details are in Section 7 Governance Section 7.2.3 Scope of duties of the Board of Directors.)

The company has been certified as a member of the Thai Private Sector Collective Action Coalition Against Corruption. (CAC) It is an initiative of the Thai private sector to take part in solving corruption problems focus on create and expand the coalition in the private sector in the form of collective action. To create an anti-corruption trend by encouraging companies to Establish policies and guidelines for refusing to accept and pay bribes. including corruption in all forms

Intellectual Property Respect Policy

The Company recognizes and emphasize on the importance of intellectual property and copyright. There is a clear policy not to take any action. to infringe on intellectual property whether on the copyright Patent or Trademark The key points can be summarized as follows:

- 1) All employees have a duty to maintain trade secrets, for example, Business information and Company technical information. The employees must protect and maintain confidential information of the company or company trading partner by the duty to protect this information will continue until the employees leave from the company.
- 2) All employees have a duty to protect, protect and maintain intellectual property owned by the Company has been violated or used without permission.
- 3) Company will respect and not infringing on the intellectual property of others.
- 4) Encourage executives and employees to create creative works on intellectual property for the benefit of the company.

Information Disclosure, Use of Inside Information and Confidentiality

The Company requires that its executive report any change to his/her securities holdings to the Office of the Security and Exchange Commission pursuant to Section 59 of the Security and Exchange Act B.E. 2535 and that inside information shall be limited to only executive or insider on the need-to-know basis and such inside information is not allowed to be disclosed to the third person. Insider trading is absolutely not allowed by using such information.

The Company has determined the policy for confidentiality of the inside information between the relevant persons only, and has determined the serious penalty for the user of the Company's inside information under below detail.

1) The director, executive and staff shall not use the Company's inside information and the Company's business partner information for self-interest or provide the inside information to other person. In addition, the director, executive and staff shall keep secret and inside information under their responsibility not to be filtered out to other person as well as the Company's irrelevant personnel.

2) The access to inside information which has not yet been publicly disclosed shall be limited to be particularly recognized by specific relevant person.

3) The Company's information disclosure shall be performed by the personnel with duty to disclose information whereas the personnel without authority are unable to disclose the information.

4) All directors, executives and staffs have duty to protect and maintain the inside information and not exploit the benefit from the acknowledged inside information even though they will terminate from the Company's staff status.

5) The duty of the director and top executive is to regularly report the security possession and report the change in security possession according to Section 59 of Securities and Exchange Act B.E. 2535 (1992) within three (3) working days from the selling, buying, transferring or transfer accepting date, to the Office of Securities and Exchange Commission; and gather for reporting to the Board of Directors as well as disclose in Annual Report.

6) The director and top executive should avoid selling, buying, transferring or transfer accepting the Company's security in one-month period prior to the Company's financial statements which will be publicly disclosed, and should wait for elapse of 48 hours so that the normal trading can be started.

7) The person who discloses inside information which has not yet been approved and the information which has not yet been publicly disclosed until affecting damage to the Company, the said person shall be legally liable.

In the year 2022, there were no offenses committed by the directors. Senior management and employees involved in the use of inside information in any way.

This requirement includes spouses or people living together as husband and wife, parents' descendant, adoptee and siblings of the same parents or Siblings of the same father or mother of directors, executives, employees and workers. Any employee who violates the aforementioned regulations, the company will be deemed to have committed a serious offence, which may include penalties ranging from verbal warning to dismissal.

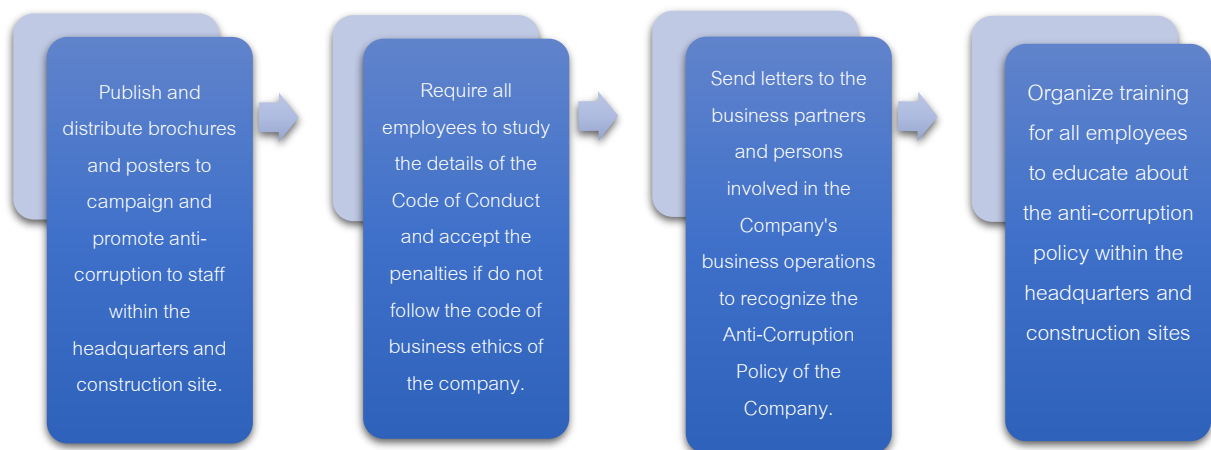
Remark: Executives according to the definition of the Securities and Exchange Commission (SEC) who are responsible for reporting changes in securities holdings by law, including all securities such as common stock or warrants, etc.

6.2) Business ethics

The company is committed to conducting business with honesty, transparency, accountability and fairness to all concerned parties. The Board of Directors has therefore established "Business ethics" as a guideline in conducting business of the company. Including setting business ethics as work practices for directors, executives and employees to be used as guidelines for practice.

Promoting ethics within the organization

The Company realizes that compliance with the Code of Business Conduct as well as the Company's policies and regulations is the key to the Company's sustainable growth. The company focuses on and encourages employees to comply with business ethics, in the year 2022 there have been actions to promote ethics within the organization. Summarized as follows;



Business code of conduct is a discipline that all directors, executives and employees must strictly abide by and encourage others to follow as well Employees who violate or fail to comply will be subject to disciplinary action.

Below acts are disciplinary offenses

- 1) Not comply with business code of conduct
- 2) Advise, promote or support other persons not to comply with business code of conduct.
- 3) Neglect and ignore upon detection of violation or non-compliance with business code of conduct
- 4) Not cooperate or obstruct investigation for fact-finding in case of violation or non-compliance with business code of conduct.

However, the act within the scope of infamous conduct as aforesaid shall comply with consideration and punishment process according to Rule of Personnel Management. In addition, the staffs who commit the offense may be legally punished if the said act is the legal offense.

6.3) Major Changes and Developments of Policy, Practice and Corporate Governance System in the Past Year

Syntec Construction Public Company Limited ("the Company") emphasis is placed on compliance with the principles of good corporate governance. according to the rules of the Securities and Exchange Commission of Thailand. The Board of Directors reviewed the corporate governance policy annually to match the situation. The Company's short- and long-term operational plans and strategies. And due to the Company's continuous emphasis on and adherence to the principles of good corporate governance as a result, the Company received the following evaluation results and awards regarding good corporate governance:

1) The evaluation under the quality assessment of the 2022 Annual General Meeting of Shareholders: The Company was rated of fully 100 scores for the 5th year by the Thai Investors Association.

2) The evaluation under the Corporate Governance of Thai Listed Companies for 2022: The Company was ranked in the level of "Excellence" or 5-star rating for the 6th year by the Thai Institute of Directors.

3) The membership certificate has been renewed Corruption of the Thai private sector in the fight against corruption (Collective Action Against Corruption) or CAC, in which the Company places great emphasis on transparency, accountability and anti-corruption in all its operations. The certification will be valid for 3 years from the date of approval on June 30, 2021 and the expiration of 3 years is on June 30, 2023.

4) The Company was selected to be listed on the Thailand Sustainability Investment: THSI 2022 or "Thailand Sustainability Investment" for the 8th year, reflecting that the Company recognizes and prioritizes its business operation with responsibility to environment and society as well as management and administration under the principle of Good Corporate Governance along with the satisfactory economic return and sustainable growth.

6.3.1) Significant changes and developments in the review of policies, guidelines and corporate governance systems.

The Board of Directors has arranged for " Corporate Governance Policy" and " Business Ethics and Employee Code of Conduct" are published on the Company's website. So that third parties and stakeholders are informed and also used to communicate within the company This is to enable directors, executives and employees to study and understand and be able to use it as a framework for the operation properly.

And most recently, the Board of Directors Meeting No. 12/22, dated December 12th, 2021, has reviewed the policy. "Code of Business" with improvements in corporate governance practices and systems. To upgrade and promote the corporate governance of the company continuously.

6.3.2) Applying the principles of good corporate governance for listed companies in 2017

However, in 2022, there were still things that the company could not cover in the following areas:

1) Determining the term of service of the directors and independent directors for no more than 9 years.


The Board of Directors does not specify the terms of service for directors. Independent directors strictly for fixing the term of directorship Independence directors for not more than 9 years, because the Board considered that the appointment of directors The independent directors will continue to benefit the company more. Because the directors holding continuous positions are persons with knowledge, experience and ability That will help to run the company business smoothly.

2) Article 14 of the Company's Articles of Association states that in voting for directors To elect directors by counting the majority votes of the total number of votes of the shareholders attending the meeting and having the right to vote. It is counted that every shareholder has a vote equal to one share per one vote. Therefore, the Company has not established a voting method by cumulative voting. (Cumulative Voting) However, the Company has established other methods to protect the rights of minority shareholders. For example, allow minority shareholders to nominate persons to be elected as directors in advance etc.

3) The Chairman of the Board of Directors should be an independent director

Currently, the acting chairman of the company is Mr.Somchai Sirilertpanich, which is an executive director The Board of Directors foresees that Mr.Somchai Sirilertpanich is a knowledgeable person Business Expertise, work experience including good leadership characteristics. The Board has clearly specified the roles and responsibilities of the Chairman. By focusing on the interests of the company, shareholders and all stakeholders. Therefore, deems appropriate for Mr. Somchai Sirilertpanich will continue to be the acting chairman of the company. However, the company does not ignore this rule of thumb. The shareholders were given an opportunity to nominate directors. In order to be selected as the Company's directors Including the selection of direct pool directors as well.

6.3.3) Other practices in accordance with Good Corporate Governance for supporting the assessment

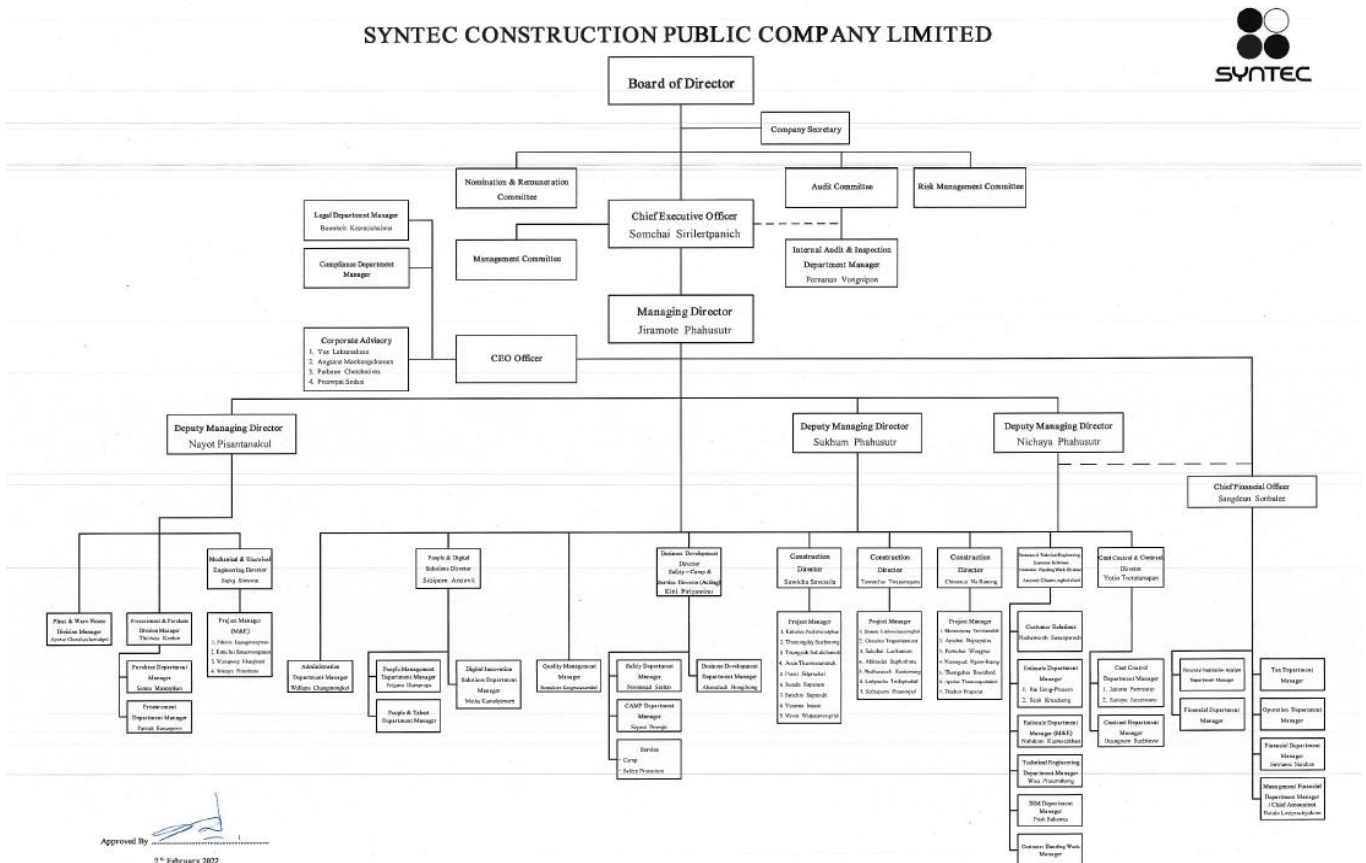
	<p>Not to violate the criteria necessary for maintaining the status as a listed company on the Stock Exchange of Thailand, and allow for Independent Directors and Audit Committee.</p>
	<p>The Company that avoids corrupt practices and authorities have notified investors towards better judgment and decision making.</p>
	<p>The Company prohibits suspicious securities trading behavior by its Directors or Executives, or activities declared as offenses by the SEC.</p>

7.) โครงสร้างการกำกับดูแลกิจการ และ
ข้อมูลสำคัญเกี่ยวกับคณะกรรมการ
คณะกรรมการชด้อย่อย ผู้บริหาร พนักงาน
และอื่น ๆ

Governance Structure and
Key Data on the Board of
Directors, Sub-Committees,
Management, Employees
and others

7) Governance Structure and Key Data on the Board of Directors, sub-committees, Management and others

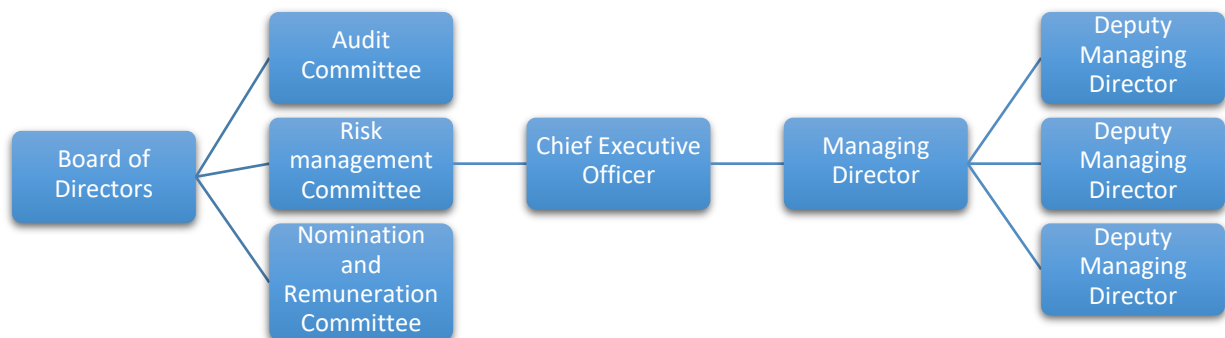
7.1) Corporate Governance structure Diagram



7.2) Board of Director information

Board of Directors Structure

Consisting of Board of Directors and sub-committees the details are as follows.



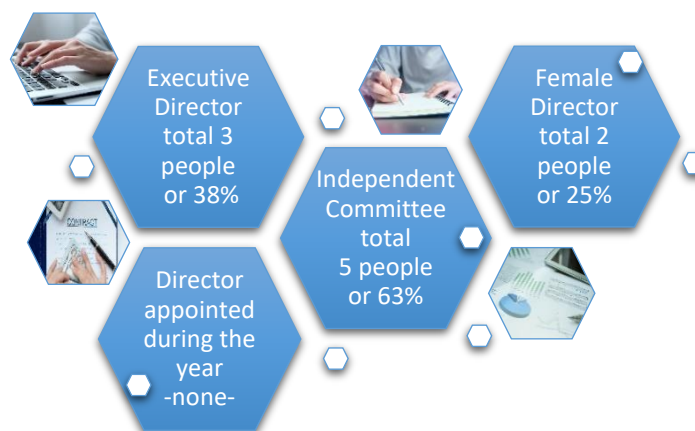
7.2.1) Composition of the Board of Directors

Diversity Policy of the Board of Directors

The Company recognizes the benefits of diversity in the Board of Directors. This is one of the principal elements that support the organization to achieve its strategic objectives. And can create sustainable growth guidelines. The diverse board of director will have different skills, ideas, nationality, sex, age, education, believe, religion or other field can be use in daily life with benefits. This diversity will be used in determining the appropriate and balanced composition of the Board of Directors.

However, the appointment of the Board of Directors remains on the basis of knowledge, ability and concerned experience, and freedom of expression, independence from business control and other factors include. To promote the role of women at the leadership level according to the plan to increase the role of women in the Thai capital market. Which is part of the SEC's mission to create an ecosystem for listed companies to integrate environmental issues, society and good governance, get into the business process. Especially, in the social dimension that covers human rights and sexual equal. Which conform to the United Nations Sustainable Development Goals. In the 5th target, on achieving gender equality. The company does not obstruct, misappropriate or or depriving women's rights to step into the role of the company's board.

In 2022, there are the board of director total 8 people. By having various kind of knowledge and experience that useful for management and driving the company grow up and achieve the goal as well.



Definition of the Independent Directors

- 1) The Board of Directors' Structure consists of individuals possessing qualifications including skills, experiences, and specific competencies beneficial to the Company (Board Skill Matrix)
- 2) The proper and adequate proportion of the Board of Directors and executives should not less than 5 people and not exceed 12 people. Currently, there are 8 directors.
- 3) There are 2 directors whom are women, 25% of all directors without sex discrimination.
- 4) There are 5 Independent directors, 63% of all directors and having more than half of the total directors' numbers and being independent directors more than one-third of all directors in accordance the good governance.
- 5) Executive Directors 3 persons, 38% of all directors.

7.2.2) Board of Directors' information

Board of directors' namelist at December 31st, 2022 consist of

NAME LIST		POSITION	TYPE OF DIRECTOR	DATE OF ASSIGNMENT BE A DIRECTOR
Mr.Somchai	Sirilertpanich	Vice chairman/ Chief Executive Officer	Executive Director	December 23, 2004
Mr.Chaiwat	Assawintarakul	Director	Independent Director	October 30, 2003
Ms.Benjawan	Sinkunakorn	Director	Independent Director	November 14, 2003
Dr.Archai	Ractham	Director	Independent Director	May 15, 2007
Mr.Tawee	Kullertprasert	Director	Independent Director	April 29, 2004
Mr.Paisan	Tangyeunyong	Director	Independent Director	June 30, 2016
Mrs.Angsana	Munkongcharoen	Director/ Assistant Managing Director	Executive Director	April 29, 2004
Mr.Jiramote	Phahusutr	Director/ Managing Director	Executive Director	April 29, 2013

Definitions in accordance with the requirements of the Capital Market Supervisory Board.

- Executive Director means a director who holds an executive position or takes part in the Company's management.
- Non-Executive Director means a director who does not hold an executive position and does not participate in the management of the Company.
- Independent Director means a director from outside who does not hold a position as an executive or a permanent employee of the Company. Not an Executive Director or a director authorized to sign to bind the company. and independent from major shareholders, executive and related person. Able to protect the interests of all shareholders equally. And can help to prevent conflicts of interest between the Company and related parties.

Authorized Director of the Company

According to the Company's Articles of Association, the powers of the signatory on behalf of the Company have been specified is Mr. Somchai Sirilertpanich, Executive Chairman or Mr. Jiramote Phahusutr, Managing Director Mrs. Angsana Munkongcharoen Assistant Managing Director, allow 2/3 of these directors together sign and stamp the company seal.

7.2.3) Information about the roles and duties of the Board of Directors

Scope of duties of the Board of Directors

According to the company's regulations The Board of Directors has the authority to make decisions and supervise the operations of the company except for the following: The Board of Directors must be approved by the shareholders' meeting prior to operation. In this regard, the list of directors or persons who may have conflicts or have interests, there is no right to vote on this matter.

- 1) Any matters prescribed by the laws that it requires an approval of the shareholders' meeting.
- 2) Making a connected transaction with a large transaction size (20 million baht or 3% of the net tangible assets whichever is higher)
- 3) Acquisition or disposition of important assets with a transaction size of more than 50% but not more than 100% (calculated by asset type)

And in the following cases must be approved by the Board of Directors' meeting and the shareholders' meeting, with a vote of not less than three-fourths of the total votes of the shareholders participating the meeting and having the right to vote.

- (1) Sale or transfer of all or substantial parts of the Company's business
- (2) Purchase or transfer The purchase or acceptance of transfer of the business of another company or a private company to the company
- (3) Making, correcting or terminating contracts relating to the leasing of all or substantial parts of the Company's business. Assigning someone else to manage the company's business or a merger with another person for the purpose of sharing profits and losses.
- (4) Increasing fund, decreasing fund, issuance of debentures, merger or dissolution.
- (5) Amendments to the Memorandum of Association or the Articles of Association.
- (6) Any act that the Securities Act or announcements of the Stock Exchange of Thailand requiring resolutions from the meeting shareholder, for example, acquisition or disposition of assets of listed companies or connected transactions.

Roles and responsibilities of the Board of Directors

The Board of Directors is responsible for all the Company's activities and has authorization in carrying out any process within the extent of Law and regulations, roles and responsibilities of the Board of Directors and Management are clearly separated, the followings are the Board of Directors' duties:

- 1) Managing business for the utmost benefits for shareholders under 4 principles as follows:
 - 1.1 Performing duty with responsibility and carefulness;
 - 1.2 Performing duty with honesty for the Company's and shareholders' benefits;
 - 1.3 Following laws, objectives, regulations and the Board of Directors' and the Shareholder meeting's resolutions.
 - 1.4 Disclosing information to shareholders with accuracy, completeness, transparency and on-time.
- 2) Involving in the determination of Vision, Mission, Strategies and other Targets which are reviewed and approved every budgetary year in order to be compliance with the Company's operation directions.
- 3) Following up the Company to apply strategies.
- 4) Initiating and involving the preparation and approval of corporate governance policy and business code of conduct manual for directors, executives and employees and disclose in the Annual Report and company's website.
- 5) Promoting the practice of business code of conduct including always following up the practice through the examination from the Risk Management Committee, then summarizing the evaluation result to use as the standard for business code of conduct.
- 6) Supporting employees to follow the corporate governance and establishing proper internal control system and internal audit in order to minimize risks from corruption and misuse of power and to protect the offence and disclosed in the Annual Report.

7) Determining risk management policy by establishing the Risk Management Committee to supervise the Company's risk management and set up the frame of risk management to be suitable to the Company's business, major risk management guideline, pre-warning and risk prevention measure as well as to review and create risk management tools to support and promote the business operation to achieve the target and report of the Board of Directors in Annual Report.

8) Determining a proper policy relating the conflict of interest, related transactions or interrelated transactions under the fair operation, such transactions are required to be considered and approved by the Company's Board of Directors only.

9) Making Report on the Company Board of Director's Responsibility on the Financial Report by showing together with the Auditors Report in the Annual Report.

10) Considering the development plan for top executives and successor plan for Managing Director, supervising the annual performance evaluation of top executives and proper compensation system for top executives to be in compliance with the Company's business performance in order to motivate in short term and long term.

11) Participating the Board of Directors' Meeting and the Shareholder Meeting, except the unavoidable case preventing the directors for doing so, that director must inform the Chairman or the Company' Secretary in advance prior the meeting.

The Board of Directors selects one director as Chairman. In the case where the Board deems it appropriate, one or more directors may be elected as vice chairpersons. And in the delegation of authority and responsibility of the Board, it will not be in the form of having power to delegate or delegate power to the Board or the authorized persons of the Board of Directors can approve the transactions that he or she may have conflicts with (as defined in the Notification of the Securities and Exchange Commission). There may be conflicts of interest with the Company or the subsidiaries except for the approval following the policy and the criteria for the shareholder's meeting or the Board of Directors.

Roles and Responsibilities of the Chairman of the Board of Directors

1) Responsible as the leader of the Board of Directors to supervise, monitor and supervise the management of the Executive Director. achieve to according target to the determined plans.

2) Chairman of the Board of Directors' meeting and shareholders of the company.

3) To be the casting vote in the event that the Board of Directors' meeting has equal votes for both parties.

4) Strengthen good relationships between executive directors and non- executive directors. and between the board of directors and the management.



7.3) Information about sub-committee

The Board of Directors appointed directors having proper knowledge, competence and experience to be the members of sub-Committees in order to support the consideration of all important matters and advise opinions to the Board of Directors, all sub- Committees are consisted The Audit Committee, The Risk Management Committee, The Nomination and Remuneration Committee and Management Committee.

7.3.1) Audit committee

Audit committee consist of independence committee at least 3 people. And there is a committee who is knowledgeable, understanding or have sufficient accounting or finance experience to serve in reviewing the reliability of financial statements. At December 31, 2022 The Company's Audit Committee is as follows:

Name list		Position	Type of committee
Mr.Chaiwat	Asawintarangkul	Chairman of the Audit Committee	Independent committee
Ms.Benjawan	Sinkunakorn	Member of the Audit Committee	Independent committee
Dr.Archai	Ractham	Member of Audit Committee	Independent committee

Mr. Pornanan Vongniphon is assigned as the Secretary of the Audit Committee.

Scope of duties and responsibilities of the Audit Committee

1. Auditing the Company's financial report to be adequate and accurate.
2. Ensuring that the Company has implemented proper and effective internal control system and internal audit and consider independency of internal audit unit including approving on promotion and transfer, termination of employment of the head of internal audit unit or another unit responsible for internal audit.
3. Controlling the Company to respect the law on stock and stock exchange, regulation of the Stock Exchange of Thailand or other laws relating to the Company's business.
4. Considering, selecting and nominating person with independency to be the Company's auditor and proposing his/her remuneration including attending the meeting with the auditor without the management for at least once a year. In the year 2022 the meeting was held on February 25th, 2022.

5. Considering particulars that may have connection or conflict of interest to ensure that such shall be in compliance with the applicable laws and regulations of the SET. This is to ensure that the transaction is reasonable and for the best benefit of the Company.

6) Review the company's risk management system (Risk Management) sufficiently.

7) Review the Company's compliance with anti-corruption measures.

8) Preparing report of the Audit Committee by publishing it in the Annual Report of the Company and it is required to be signed by the Chairman of the Audit Committee and to have at least the following information:

(a) Opinion regarding accuracy, adequacy and reliability of financial report of the Company

(b) Comment on adequacy of the internal control system.

(c) Opinion of compliance with the laws related to securities and security exchange, regulations of the SET or laws related to business of the Company.

(d) Opinion towards appropriateness of the auditor.

(e) Number of meeting of the Audit Committee and attendance of each member.

(g) View or observation for the overall picture where the Audit Committee has gained under the performance in accordance with its Charter.

(h) Other particulars deemed that it should be reported to the shareholders or general investor under the scope of duties and responsibilities assigned by the Board of Directors

9) Consider the budget and personnel of the internal audit unit.

10) Considering internal control system, plan and approaches for auditing and assessment of auditing on performance of the Company from different aspects by generally accepted method and standard

11) Supervising, auditing and commenting on performance of internal auditing unit and cooperating with the Auditor.

12) Considering hiring or inviting specific expert to come to give advice and comment as the Audit Committee deems appropriate.

13) Performing any other act required by laws or assigned by the Board of Directors where the Audit Committee has the authority to call for, direct the management or head of section or any employee involving in the concerned matter to give a comment, to attend the meeting or to submit relevant document deemed as necessary.

The board of directors have an opinion that Mr. Chaiwat Asawintarakul, is the dependence committee who has knowledge and expertise in accounting and finance. therefore, appointed to be the Chairman of the Audit Committee.

The Audit Committee has a term of duty of 3 years each. If retired by rotation, may be re-appointed by the Board of Directors. In 2022, have held a meeting for 5 times. which is reported to the Board of Directors. And has meetings with the auditors and the chief accounting and finance officers to review the financial reports every quarter.

7.3.2) Nomination and Remuneration Committee

The Board of Directors appointed the Nomination and Remuneration Committee consisting of at least 3 independent directors, which must have more than half of independent directors. The Chairman and the majority of members should be independent directors. As of December 31, 2022, the Nomination and Remuneration Committee consists of 5 members as follows:

รายชื่อ	ตำแหน่ง	ประเภทกรรมการ
Mr.Chaiwat Atsawintaranku	Chairman of the Nomination and Remuneration Committee	Independent Director
Mr.Somchai Sirilertpanich	Nomination and Remuneration Committee	Executive Director
Mrs.Angsana Munkongcharoen	Nomination and Remuneration Committee	Executive Director
Ms.Benjawan Sinkunakorn	Nomination and Remuneration Committee	Independent Director
Ms.Benjawan Sinkunakorn	Nomination and Remuneration Committee	Independent Director

Ms. Rattpawee Lapnan, Company Secretary was assigned as the Secretary.

Remark : Company Secretary resigned during the year 2022 (November 2022)

Duties and Responsibilities

Nomination works:

1. Considering policy and criteria for recruitment and nomination of directors, managing director, member of the committee and top executives from director of department or above to submit to the Board of Directors for consideration.
2. Defining qualifications of the director in accordance with structure, size and composition of the Company.
3. Recruiting and nominating appropriate person as required by policy and criteria to be a director, managing director, member of the committee and top executive from director of department or above
4. Carefully checking that person nominated for those positions has qualifications as required by rules and regulations of the Company, of the supervising authorities and by provisions of relevant laws.
5. Approaching, coordinating, contacting qualified person subject to the requirements to ensure that such person is willing to take the position if approved by the Board of Directors and/or the shareholder's meeting
6. Nominating person (s) for the consideration of the Board of Directors and specifying such nomination in the notice for the Annual General Meeting of Shareholders for their consideration.
7. Carrying out business as assigned by the Board of Directors.

Remuneration works:

1. Considering policy and criteria and method for designating remuneration of director, managing director, member of the committee and top executive from director of department or above to submit to the Board of Directors.
2. Reviewing appropriateness of such policy and criteria to adequately respond to current situation.

3. Setting out the guideline for evaluation the performance of director, Managing Director, member of the committee and top executive from director of department or above in order to adjust annual remuneration;
4. Considering data on remuneration for director by comparing to similar companies in the same business summarized by the SET and/or other relevant data.
5. Monitoring appropriate remuneration for director, Managing Director, member of the committee and top executive from director of department or above corresponding to their duties and responsibilities.
6. Proposing remuneration for managing director and top executive from director of department or above to the Nomination and Remuneration Committee and proposing such for director to shareholders.
7. Preparing report on remuneration for director and top executive from director of department or above and disclosing it in the Company's Annual Report.
8. Carrying out business as assigned by the Board of Director.

The Board of Directors opinion that Mr. Chaiwat Atsawintarakul is the independent committee who has knowledge and experience consideration of various factors to recruit and consider. therefore, appointed to be the chairman of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee. The term of work is 3 years each. If retired by rotation, may be re-appointed by the Board of Directors in 2022. A total of 2 meetings were held. All members of the Consideration and Nomination Remuneration Committee participate the meeting every time. And the company secretary acts as the secretary of the Nomination and Remuneration Committee.

7.3.3) Risk Management Committees

The Risk Management Committee consists of at least 3 members; at least 1 independent director and 2 executives. As of December 31st, 2022. the Risk Management Committee consists of 3 members as follows:

Name list	Position	Type of committee
Dr. Arichai Ractham	Chairman of the Risk Management Committee	Independent Director
Mr. Paiboon Chetchotiros	Member of the Risk Management Committee	Consultant
Mr. Yothin Trirattanapun	Member of the Risk Management Committee	Executive

Ms. Rattapawee Lapnan, company is assigned as the Secretary.

Remark : Company Secretary resigned during the year 2022 (November 2022)

Duties and Responsibilities

1. Define risk management policy and framework to be proper for the Company's business operation and in line with the criteria or requirement of governing government agencies.
2. Support, promote and mutually develop risk management as well as push forward for collaboration in risk management in all levels of the organization.
3. Govern, follow up, express the opinion and report corporate risk management as required by program.

4. Review risk management policy and management to be correspondent with business operation and varying economic situation.

5. Consider employing or consulting with the experts in specific fields and express the opinions as deemed as appropriate by Risk Management Committee.

6. Report the crucial result of Risk Management Committee's Meeting to the Board of Directors for acknowledgement and consideration. Particularly, the case that is significant and affect the organization shall be reported as soon as possible.

7. Take any other actions as required by laws or assigned by the Board of Directors. In compliance with scope, authority and responsibility, Risk Management Committee has authority to call and direct the management, relevant chief of work unit or employee of the Company to express their opinions, attend the meeting or submit the documents as deemed as relevant and essential.

The Board of Directors have opinion that Dr. Arichai Ractham is independent director with knowledge and experience in considering various factors. To manage risks throughout the organization. Therefore, appointed to be the Chairman of the Risk Management Committee.

The Risk Management Committee. The term of work is 3 years each. If retired by rotation, may be re-appointed by the Board of Directors in 2022. A total of 4 meetings were held, all members of the Risk Management Committee participate the meeting every time. And the company secretary acts as the secretary of the Risk Management Committee.

7.3.4) Management Committee

The Board of Directors consists of no less than 5 qualified directors and executives to manage the Company's business as assigned by the Board of Directors. As of December 31st, 2022 the Management Committee consists of 5 members as follows:

Name list	Position	Type of committee
Mr. Somchai Sirilertpanich	Vice Chairman	Executive director
Mrs. Angsana Munkongcharoen	Assistant Managing Director	Executive director
Mr. Jiramote Phahusutr	Managing Director	Executive director
Mr. Nayot Pisantanakul	Deputy Managing Director	Executive
Mr. Yot Laksanagosate	Company Consultant	Consultant

Mr. Paiboon Chetchotiros is Secretary of the Management Committee.

Duties and Responsibilities

1. Set policies, goals, strategies, action plans, and annual budget to be proposed to the Board of Directors for the approval.

2. Control the business operation of the company in accordance with the policy, goals, strategies, plans, operations and annual budget approved by the Board of Directors to be performed effectively.

3. Responsible for the Company's operations in accordance with the Company's laws, objectives, rules, shareholders meeting resolution, resolution of the Board of Directors meeting as well as related regulations.

4. Study for the feasibility of new projects, and has the power to approve the auction and to work on projects as it deems appropriate.

5. Determine the organizational structure and effective management, covering the selection, training, commissioning and dismissal, including salary, benefits, bonuses, other benefits, and the cost and facilities of the company's employees.

6. Consider matters to be proposed to the Board of Directors for acceptance or approval.

7. Perform other duties assigned by the Board of Directors.

In 2022, a regular meeting is held at least 3-4 times a month where the management committee participated the meeting with the management. Various departments director has a consultant acting as the secretary of the Management Committee.

7.4) Information about Executive

7.4.1) The Board of directors as of December 31st, 2022, there are executives 7 people as follows.

Name list		Position
1) Mr. Somchai	Sirilertpanich	Chief Executive Officer
2) Mr. Jiramote	Phahusutr	Managing Director
3) Mr. Sukhum	Phahusutr	Deputy Managing Director
4) Ms. Nichaya	Phahusutr	Deputy Managing Director
5) Mr. Nayot	Pisantanakul	Deputy Managing Director
6) Mrs.Angsana	Mangkongcharoen	Assistant Managing Director
7) Ms.Sangduen	Sornbalee	Chief Financial Officer

Remark: Executives refer to executives according to the definition of the Securities and Exchange Commission. Kor.Jor. 17/2008 Re: Definitions in Notices about Issuance and Offering for Sale of Securities

Scope of duties of the Chief Executive Officer

1) Operate the Company in accordance with the policies and authorities provided by the Board of Directors.

2) Set business goals for both short term and long term, including budget and long-term strategic plan for the Board of Directors to approve and report on progress of implementing the plans and budgets approved to the Board of Directors.

3) Manage through the management committee to achieve the goals set out in the business plan by building competitiveness and provide appropriate return to shareholders.

4) Allocate resources and recruiting personnel with potential in order to generate the best interests of the Company.

5) Place, appoint, remove, transfer, promote or demote, cut salary or wages, take disciplinary action against employees, as well as having employees to vacate their positions in accordance with the prescribed rules.

6) Promote and build a strong corporate culture, support vision and business growth of the Company.

7) Follow up to operations of the Company and measure performance and report the performance of the management to the Board of Directors from time to time.

8) Consider, screen and submit for approval from the Board of Directors on the Company's business policy

9) Prepare details of internal operating power of the Company, decentralize employees to perform tasks and make decisions efficiently.

10) Report financial position and financial statements to the Board of Directors for approval every quarter.

7.4.2) Policy of Remuneration for Directors and Executive (Chief Executive Officer)

The Nomination and Remuneration Committee is responsible for the remuneration of the Executive Directors and the top management Remuneration (Chief Executive Officer) for directors will take into account the suitability of obligations, responsibilities on the assigned duties which must be consistent with the performance and business size. It can be comparable to those listed on the Stock Exchange of Thailand in industries and businesses of similar size. The remuneration of such directors is sufficient to motivate the directors who are capable of performing their duties with the Company.

In considering the remuneration of executives, including the Chief Executive Officer, The Nomination and Remuneration Committee will determine the appropriate remuneration. To conform the performance of duties, to motivate and retain quality personnel to work with the company in the long term. Evaluation of performance, which is considered confidential information that cannot be disclosed to the individual. Based on the criteria for consideration from the operating results according to the policies assigned by the Board of Directors. Responsibility, working dedication, the remuneration is determined in accordance with the Company's performance and the performance of each executive director and executive. After the board nomination and remuneration has been approved. must be presented to the Board of Directors for further acknowledgment.

7.4.3) Remuneration of Directors and Executives

The company has 7 high-level executives with the following returns:

Monetary remuneration

- Compensation in monetary amount 27,505,587 Baht is the salary, bonus, living expense and other compensation.
- Other welfare amount 733,064 Baht It is part of the payment of contributions to the provident fund.

(There are 6 executives as members).

Therefore, the remuneration of directors and executive, accounted to 5.58 percent of total remuneration of the Company.

Non-monetary compensation

- Company car, annual health check, training etc.



Changes in the Company's shareholding of directors, executives¹ and their spouses during the year 2022

Name-surname	Number of shares			On December31, 2022
	On December31, 2021	acquired during the year	sold during the year	
1)Mr.Somchai Sirilertpanich	-	-	-	-
Spouse and underage children	-	-	-	-
2)Mr.Chaiwat Atsawintarakul	-	-	-	-
Spouse and underage children	-	-	-	-
3) Ms.Benjawan Sinkunakorn	-	-	-	-
Spouse and underage children	-	-	-	-
4) Dr.Apichai Ractham	-	-	-	-
Spouse and underage children	-	-	-	-
5) Mr.Tawee Kullertprasert	-	-	-	-
Spouse and underage children	-	-	-	-
6)Mrs.Angsana Munkongcharoen	-	-	-	-
Spouse and underage children	-	-	-	-
7)Mr.Paisarn Tungyeunyong	-	-	-	-
Spouse and underage children	-	-	-	-
8)Mr.Jiramote Pahasutr	207,419,160	-	-	207,419,160
Spouse and underage children	5,964,900	230,000	-	6,194,900

Name-surname	Number of shares			
	On December31, 2021	acquired during the year	sold during the year	On December31, 2022
9) Mr.Sukhum Pahasutr	109,061,900	-	-	109,061,900
Spouse and underage children	-	-	-	-
10)Mr.Nayos Pisunthanakul	1,200,000	-	-	1,200,000
Spouse and underage children	-	-	-	-
11)Ms.Nichaya Pahasutr	176,031,760	-	-	176,031,760
Spouse and underage children	-	-	-	-
12)Ms. Sangdeun Sornbalee	-	-	-	-
Spouse and underage children	-	-	-	-

Note: Executive means the person holding the first four management positions after the Chief Executive Officer down. Person holding a position equivalent to Every fourth executive position and shall include persons holding an executive position in the accounting or finance line who is a department manager level or higher or equivalent/ where the company has restructured its organizational chart recently. According to the resolution of the Board of Directors Meeting No. 8/2020 dated August 13, 2020

7.5 Employee information

As of December 31st, 2022, there are full-time employees total of 877 people, with payouts as follows:

Monetary Compensation

- Monetary Compensation total 468,305,444 Baht, which is part of salary, bonus and other compensation.
- Other welfare 12,142,569 Baht, It is part of the payment of contributions to the provident fund. (There are 592 members of staff this represents 91.50% of eligible employees.)

Non-monetary Compensation

- Mask, alcohol gel, equipment to prevent the spread of Covid-19
- Get well gift when visiting employee who gets sick and admits at the hospital
- Wreath for the funeral ceremony in the event of a deceased family members
- Wreath for the funeral ceremony of employee
- Safety equipment
- Employee Financial Assistance Program
- Uniform

As of December 31st, 2022, there were increasing of full-time employees during the year as follows:



Full time employees information table classified by job level and gender as of December 31st, 2022

Level of employee	Male		Female		Total number (people)
	Number	Proportion	Number	Proportion	
Executive (High middle Elementary)	96	14.52	13	6.02	109
Senior	205	31.01	71	32.88	276
Operation	327	49.47	126	58.33	453
Support	15	2.27	1	0.46	16
Disabled	18	2.73	5	2.32	23
Total full time employees	661	100	216	100	877
%	75.37		24.63		100.00

In 2022, the company has a total of 877 employees, divided into 611 males and females 216 people had a male-female ratio of 75.37 and 24.63, respectively. By the employees will be treated fairly and equally without discrimination because of individual differences.

Employment of people with disabilities

The company supports people with disabilities to have a life equal to the general people. Be fully and effectively socially engaged. under an environment that people with disabilities can access and use. At the end of year 2022, The company employs people with disabilities 23 people, by divided to male 18 people, female 5 people. However, the company will provide opportunities and welcome people with disabilities who have knowledge, ability and suitable for the position to join the company in the future.

Number of full-time employees separate by line of command as of December 31st, 2022

Division	Amount of Employees* (person)
Executive Office	9
Construction 1	166
Construction 2	101
Construction 3	97
Engineering system	75
Estimate and Technical Engineering	27
Contract and Cost Control	40
Business Development / Construction Camp	14
Accounting	15
Finance	6
Purchasing & Procurement	27
Legal	6
Administration	27
Safety	27
Quality Assurance	4
People Management	9
People & Talent Development	24
Digital Solution	8
Internal Audit	2
Compliance and Investor Relations	1
Plant & Warehouse	70
Customer Handover work	8
Delta Infra One	3
Building Information Modeling (BIM)	88
Employer Relations (People with Disabilities)	23
Total	877

Remark: The above number of employees are all permanent employees and there were 2,239 daily employees.

Employment Termination Policy

In the event that the company terminates the employment without the employee committing an offense which gives the Company the right to terminate employment immediately, the Company will notify the employee of termination of employment prior to the due date of wage payment or on the day of payment the latest in order to have the effect of termination of employment in the next payment of wages. Or if the Company does not want the employee to continue working after notice of termination, the Company will pay wages in lieu of prior notice equal to the amount of time required for prior notice and will pay compensation at the final salary rate and for working period as specified by the labor law to the employee.

From the table showing the number of employees resigning as of December 31st, 2022

Level of employee	Male		Female		Total number (people)
	Number	Proportion	Number	Proportion	
Executive level (high middle beginning)	5	3.13	1	2.63	6
Senior level	32	20.00	7	18.42	39
Operation level	102	63.75	23	60.53	125
Support level	3	1.87	2	5.26	5
Disabilities	18	11.25	5	13.16	23
Total employees resigned	160	100.00	38	100.00	198

From the table showing the number of employees resigning as of December 31st, 2022. It was found that a total of 198 employees resigned, of which 160 were male and 38 females, most of them were under operating level employees. Therefore, does not affect the company's strategic planning.



Employee Compensation and Benefits Management

Employee compensation

In addition to fair and equal employment, the Company also has an equal compensation policy. The Company's employees will receive compensation in the form of salaries, overtime pay, cost of living allowance, bonuses, provident fund, etc. And to create a motivation for employees' performance, the Company therefore applies OKRs as a tool for managing performance compensation. There will be assessment twice a year, mid-year and at the end of the year. The compensation for employees will be consistent with performance of the Company in both short and long term.

In 2022, the company has a total of executives and employees 877 people, pay total compensation 480,448,013 baht.

Employee Welfares and Benefits

The Company provides welfare to employees as required by law and as appropriate to help and build the morale of employees, leading to an increase in work efficiency. The welfares provided by the Company are as follows.

- 1) Legal welfare such as the social security fund, annual leave, military service leaves, maternity leave, etc.
- 2) Health benefits, including annual health check, medical expense benefits, accident insurance and dental fees.
- 3) Financial benefits, including loan welfare, wedding allowance, childbirth allowance, funeral allowance for parents, spouses, etc.
- 4) Welfare on social happiness, organizing activities to build good relationships among employees, such as having mentors to teach new employees, Songkran activities, New Year's party, employee relations activities, etc.

Provident fund

The Company established a provident fund on 1 April 2013 in accordance with the Provident Fund Act B.E. 2530 by TISCO Master Pooled Fund Management Company, which has been registered, in order to save and create a security for employees and their families. This contribution depends on the employee's voluntary and service years.

In 2022, there were 592 employees, out of 647 eligible employees, accounting for 91.50 percent.

Remittance for savings (employee) and contributions (employer) are made after 1 year of work.

Service Years	Employee savings rate	Company contribution rate
Service years less than 6 years	3%, 4%, 5%, 7%, 9%, 11%, 13% and 15%	3%
Service years at 6 but less than 11 years	4%, 5%, 7%, 9%, 11%, 13% and 15%	4%
Service years of 11 years or more	5%, 7%, 9%, 11%, 13% and 15%	5%

Terms of payment: Pay when the employee ceases membership of the fund, divided into 2 cases:

1. Resigning

2. Resigning from membership. In case of resigning from provident fund membership but not resigning from employment, the employee will be paid only for the part of membership, while the company's contribution is not subject to the conditions.

Rates for employee's remittance and Company's contribution depend on the service years of the member.

Service Years	Employee's remittance for savings	Company's contribution
Less than 3 years	100%	None
3 years but less than 5 years	100%	50%
5 years or more	100%	100%

7.6) Other important informations

7.6.1) Information of the Company's secretary, Company bookkeeping controller, head of internal auditor and head of compliance unit of the Company.



(1) Company Secretary

The Board of Directors has appointed the Company's personnel who are qualified and experienced in holding the position of the Company Secretary to perform duties as stipulated in Section 89/15 and Section 89/16 of the Securities and Stock Exchange Act (No. 4) B.E. 2551, effective on August 31st, 2008, with responsibility, caution and integrity, as well as having to comply with the law, objectives, articles of association, board resolution, as well as resolution of the shareholders' meeting. The duties and responsibilities are as follows.

Scope of duties and responsibilities of Company Secretary

1. Prepare for the Board of Directors meeting, Shareholders' Meeting of the Company to comply with the requirements of the law, related regulations and good practice.
2. Provide initial advice and recommendations to the Board of Directors on issues related to the rules and regulations of the governing regulators and good corporate governance practices.
3. Keep reports of interest reported by directors or executives and submit a copy of the report of interest under Section 89/14 to the Board of Directors to audit within 7 business days from the date the Company receives the report.
4. Ensure disclosure of information and reports of various information to regulators and the public to be correct and complete under the law.
5. Liaise with regulators such as the Securities and Exchange Commission and the Stock Exchange of Thailand

In accordance with the Securities and Exchange Act, Section 89/15 and 89/16 and to help the Board of Directors and the Company comply with relevant laws and regulations Including encouraging supervision The business is in accordance with good corporate governance standards.

Name	Ms. Rattapawee Lapnan
Position	<ul style="list-style-type: none"> - Company Secretary (From July 24, 2017) - Acting Compliance Manager
Age	39 years
Educational	<ul style="list-style-type: none"> - Bachelor of General Management, Rajamangala Chakapongphuwanat - Master of Management Science, Sukhothai Thammathirat University
Work Experience	<p>Company secretary</p> <ul style="list-style-type: none"> - Company secretary of Syntec Construction PCL. (8 years) - Company secretary of Ausiris Future Co., Ltd. (3 years) - Executive Secretary, Thonburi Panich Leasing Co., Ltd (5 years)
Training	<ul style="list-style-type: none"> - Fundamentals for Corporate Secretaries: TLCA - Advances for Corporate Secretaries : TLCA - CSR for Corporate Sustainability : SET - Company Secretary Program (CSP) : IOD - Company Reporting Program (CRP) : IOD - Board Reporting Program (BRP) : IOD - Effective Minutes Taking (EMT) : IOD - Corporate Social Initiatives for Sustainable Development : SET - Supply Chain and Stakeholder Engagement: SET - Strategic CSR Management: SET - CSR Evaluation and Data Management: SET - Sustainability Risk and Materiality Analysis : SET - Sustainability Reporting: SET

Remark : Company Secretary resigned during the year 2022 (November 2022)

2) Company's Accounting Controller

Name-surname	Ms. Natida Loetprachayakorn
Position	Accounting Manager
Age	37 years
Education	Master's degree in Finance & Banking, Ramkhamhang University
Shareholding proportion	None
Executive family relationship	Nonr
Experience	2015 - present
Accounting Director	Syntec Construction Public Company Limited

(3) Head of internal auditors and Head of Compliance Unit of the Company

In addition, The Audit Committee Meeting No.4/2011, held on 15 August 2011, the meeting resolved to appoint Mr. Pornanan Vongnipon to take the position of Head of Internal Auditors of the Company since August 15th, 2011 and assigned Mr. Wajakorn Sanpor Position Senior Compliance Officer (Compliance Department), to oversee the compliance with the rules & regulations of the regulators from December 1st, 2022 replacing of Ms. Rattapawee Lapnan whose resignation was effective on November 30th, 2022. The Company is currently in the process of considering recruitment of the head of compliance unit, responsible for supervising the Company's compliance with the laws, rules, regulations, policies and requirements of relevant government agencies or other departments related to the Company's business operations (Records of the head of internal auditors and head of compliance unit are shown in Attachment 3).

7.6.2) Investor Relations

The company has designated Investor Relations unit (Investor Relations) to contact and communicate with investors or shareholders, including institutional investors and minor shareholders and disseminates the corporate information, such as financial and general information, to shareholders, securities analysts, via different channels, such as report submitted to the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC) and the company's website.

There has been a COVID-19 outbreak in 2022, however the Investor Relations Department continued to organize investor relations activities for shareholders, analysts, investors through online and offline channels with details as follows:

1) Arrange the Analyst Meeting to declare the operating result and business plan, for the year 2022, organized Analyst Meeting 2 times on March 14th, 2022 and on September 8th, 2022 via Microsoft Teams Meeting.

2) Open the opportunity for the investment analyst make a company visit and/or Conference Call with the executives to inquire about policy, strategy, and business plan while general information is complete, accurate, and up-to-date. It benefits to make the investment decision. In 2022 no Company Visit activity was held due to the epidemic situation of COVID-19.

The Shareholders, investors, securities analysts and interested persons are able to access information of the Company: Investor Relations Department E-mail: ir@synteccon.com Tel: 0-2026-2288 ext. 1831

7.6.3) Remuneration of Auditors

Annual General Meeting of Shareholders 2022, the meeting considered and resolved to appoint Ms. Kannika Wipanutrat: CPA License No. 7305 and/or Mr. Jirote Sirirorote: CPA License No. 5113 and/or Ms. Nongluk Pattanabundit: CPA License No. 4713 and/or Mrs. Soomana Saneewong Na-Ayutthaya: CPA License No.5897 and/or Mr. Gomin Linprachaya: CPA License No.3675 and/or Mr. Poj Sawasantichai : CPA License No.4891and/or Ms. Wichien Prungpanich : CPA License No.5851 and/or Ms. Gotchamon Sunhuan : CPA License No.11536 and/or Mr. Kraisang Teeranulak : CPA License No. 5428 who were the auditors of Karin Audit Co., Ltd for the year 2022.

The Audit fee is 4,040,250 Baht. Other Service Fee - None

(Unit : baht)

Compensation type	2022	2021	2020
1) Company audit fee	3,000,000	3,000,000	3,277,500
2) Audit fees for subsidiaries			
- C S M Capital Partners Company Limited	394,250	394,250	394,250
- S C R Asset Management Company Limited	332,500	332,500	332,500
- Natural Ville Service Apartment and Management Company Limited	52,250	52,250	52,250
- PT Tree Land Company Limited	52,250	52,250	52,250
- JT Ten Company Limited	52,250	52,250	52,250
- SHG Management Company Limited	52,250	52,250	52,250
- Delta Infra One Company Limited	52,250	52,250	52,250
3) Other service charges	-	-	-
Total	4,040,250	4,040,250	4,265,500

From the table of auditors' remuneration, it can be seen that the auditors' remuneration for the year 2022 equivalent to the remuneration for the year 2021.

However, the auditor has no relationship or may create a conflict of interest with the company. In addition, the directors and executives of the Company do not have any relationship. That may cause a conflict of interest with the auditors' company that the company uses.

8.) รายงานผลการดำเนินงานสำคัญ ด้านการกำกับดูแลกิจการ

Corporate Governance Milestones

8) Report on key performance in corporate governance

8.1) Summary of the committee's performance in 2022

8.1.1) Recruiting, development and evaluating the performance of the Board of Directors

Criteria for selecting directors or independent directors

The Company established the Nomination and Remuneration Director, which consists of 3 independent directors from total number of Nomination and Remuneration Committees 5 people. Responsible for considering the selection of directors or independent directors and screening qualified persons according to the Company's Articles of Association and is nominated for qualified candidates. in order to acquire directors or independent directors with diversity. Considering the size structure and composition of the Board of Directors.

1) Independent Director

Independent directors must not act as executives. Independent from management and controlling shareholders. is a person who does not have a business relationship with the Company in a manner that would limit his independent opinion. and must have qualifications as specified in the notification of the Capital Market Supervisory Board. That is to say, there must be an independent director at least one-third of the total number of directors of the company, but not less than 3 people. The Board of Directors has approved the definition and qualifications of independent directors as follows:

1. Holding no more than 1% of the total voting shares of the Company, major company, subsidiary, joint-stock-company, major shareholder or the person who has the authority to control the company. This shall include the shareholding of related persons of that independent director.

2. Not being or used to be a director involved in the management, worker, employee. Consultants who receive a regular salary or controlling person of the company. Main company, subsidiary, same rank company, major shareholder or of the Company's controlling person. unless the foregoing nature has been vacated for not less than two years prior to the date of submission of an application to the supervisory authority. However, such prohibited characteristics do not include the case where the independent director used to be a government official or an advisor of a government agency who is the major shareholder or controlling person of the company.

3. Not being a person that has a blood relationship or by legal registration as a father, mother, spouse, sibling and children including the spouse of the child, of executive, major shareholder, controlling person of the company or the person who will be nominated as an executive, or the person having the power to control the company or its subsidiary.

4. Never or use to have a business relationship with the Company, main company, subsidiary, associated company, major shareholding, or controlling person of the company. In a manner that may obstruct using of one's independent judgment. including not being or having been a significant shareholder. or a controlling person who has a business relationship with the Company, main company, subsidiary, associated

company. Major shareholder, controlling person of the company. Unless the foregoing nature has been vacated for not less than two years prior to the date of submission of an application to the supervisory authority.

5. Never or use to be an auditor of the company, main company, subsidiary, associated company, major shareholding, or controlling person of the company. and is not a significant shareholder, controlling person of the company, or a partner of the audit office. Which has the auditor of the company, main company, subsidiary, associated company, major shareholding, or controlling person of the company, or a partner of that professional service provider. Unless the aforementioned status has been lapsed for not less than two years. Before the submission date of the application to the regulatory authorities.

6. Never or use to be a professional provider of any kind This includes providing legal advisory services, or a financial advisor. which received a service fee of more than 2 million baht from main company, subsidiary, associated company, major shareholding, or controlling person of the company, and is not a significant shareholder, controller, or a partner of that professional service provider. Unless the aforementioned status has been lapsed for not less than two years. Before the submission date of the application to the regulatory authorities.

In the past fiscal year, The Company's independent directors have no business relationship or professional service. And no one was appointed as an independent director during the year.

2) Nomination of Directors and Executives

Nomination and directors' election (include new director)

The company has guidelines for considering knowledgeable person, capable, suitable qualification. Experienced in management and good governance. To gain people who have the ability to develop the company to reach the target that have been set. Selection of personnel who will serve as the Company's directors, the company independent director (include new director) The necessary skills that are still lacking in the current committee must also be considered. The criteria and methods of recruiting are as follows:

1) The company has channels for minority shareholders to participate in the management of the company. By giving the opportunity for minority shareholders to nominate qualified person. Considered for appointment as the Company's director or consider a person from the Career Committee Directory (Directory Pool) before the shareholders' meeting day. The company has informed the shareholders of the rules and procedures for information via the website of the Stock Exchange of Thailand and company website. The shareholders who have the qualifications as specified by the company can submit the information in the form by mail to the company within the specified time.

2) Selecting qualified persons according to the Company's criteria and in accordance with the established guidelines. Selecting qualified persons according to the Company's criteria and in accordance with the established guidelines, before presenting the names to the Board of Directors. Considering and screening that person before proposing to the shareholders' meeting for consideration and election. which in voting for the election of directors The Company allows shareholders to use ballots to elect directors individually. Let the shareholders vote all they have select the persons who are nominated as directors one by one. However,

such practices are stipulated in the Company's Articles of Association. The directors must have qualifications in accordance with the following rules:

2.1) Knowledgeable and understanding of the roles and duties of directors in accordance with the rules of the governing authorities, as follows, Securities and Exchange Commission Stock Exchange of Thailand etc.

2.2) Considering suitable qualifications as a director, considering by knowledge, experience, specialty skill. According to the Company's business operations, in accordance with the skills required for the selection of directors (Board Skill Matrix).

2.3) Knowledgeable, Understanding of accounting, finance and management systems and standards.

2.4) Have decision-making skills under sufficient and accurate reasoning information.

2.5) Maturity, stability and decision making freedom.

2.6) Professional, morality and responsibility.

2.7) In addition to other necessary skill, still have to consider the skills that the current directors are still lacking. For example, Knowledge and expertise in the company's business, relevant legal knowledge etc.

3) In case of the same director come back to assume the position, considering based on the performance during the tenure; useful suggestion giving and dedicate time to company.

4) In case of appointment of independent directors, considering from the qualifications of a person who will hold a position as an independent director to have qualifications in accordance with the Notification of the Capital Market Supervisory Board.

Nomination of chief executive (Chief Executive Officer)

The Board of Directors has considered and assigned to the Nomination and Remuneration Committee. And methods for recruiting qualified persons to hold top management positions. and nominate more than one person as appropriate. Together with reasons for the Board of Directors to consider and appoint, In the nomination process, all qualified person are screened and selected, suitable, knowledgeable, skillful and experiences that are beneficial to the Company's operations. And well understand the company's business. And manageable work to achieve objectives, target by the Board of Directors.

Appointment and term of office of the Company's directors

The Board of Directors has assigned the Nomination and Remuneration Committee to proposed for approval to appoint to the shareholders' meeting. According to the rules and procedures specified in the Company's Articles of Association The important things are as follows:

1) Voting for the election of directors, electing directors by counting the majority votes of the total votes of the shareholders attending the meeting and having the right to vote. It be counting that every shareholder has a vote equal to one share per one vote.

2) Directorship At least one-third of the directors must retire at the rate. If the number of directors cannot be divided into three parts shall be issued by the number closest to one-third. Directors who must retire from office in the first and second year after the registration of that company shall draw lots to determine who will retire. In the following years, the director who has been in the position for the longest time shall retire from the position. A retired person may be re-elected.

3) In addition to the termination of office by rotation, the director may vacate office upon

- 1) Pass away
- 2) Resign
- 3) Lack of qualifications or having prohibited characteristics under the law of a Public Company Limited.
- 4) The shareholders' meeting resolve to resign.
- 5) The court ordered the resignation.

4) In case of the director's position becomes vacant for reasons other than the expiration of the term. The Board of Directors shall select a person who has qualifications and does not have any prohibited characteristics under the law of a public limited company. to become a replacement director in the next Board of Directors' meeting, unless the remaining term of the director is less than two months.

1) The person who is appointed as a replacement director will remain in the position of director for the remaining term of the director he replaces.

2) The resolution of the committee under paragraph one consists of the votes of not less than three-fourths of the number of the remaining members.

5) The shareholders' meeting may pass a resolution to remove any director from office prior to the expiration of his/her term by a vote of not less than three-fourths of the number of shareholders attending the meeting. Have the right to vote and holding shares in aggregate not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.

However, the company does not specify the number of terms of office of the director. Due to working period is not an obstacle to work. Because the directors have a good understanding of the company's business. Give advice that is useful to the operation of the company.

Appointment and Removal of Company Directors

The Board of Directors has assigned the Nomination and Remuneration Committee to propose and approve the appointment of directors to the shareholders' meeting. According to the criteria method specified in the Company's Articles of Association. The important things are as follows:

1) The Company's directors are appointed by the shareholders' meeting not less than 5 people, and have at least 3 independent directors. Where not less than half of the total number of directors must reside in the Kingdom. And at least one director must have knowledge in accounting and finance. The directors must have qualifications as specified by laws and regulations.

2) The shareholders' meeting shall appoint the Company's directors in accordance with the following rules and procedures:

(1) One shareholder has one vote per share.

(2) Each shareholder will use all available votes accordingly (1) Electing one person or more people can be a director but cannot divide the votes to any person to any extent.

(3) Person receiving the highest scores in descending order are elected as directors up to the number of directors required, or should be elected at that time. In case of the person elected in descending order have equal votes, exceeding the number of directors to have or to be elected at that time, the chairman of the meeting will have absolutely vote.

3) At every annual general meeting of shareholders One third of the number of directors at that time shall retire from office. If the number of directors cannot be divided exactly into three parts, It shall be calculate by the number closest to one-third. Directors who must retire from office in the first and second year after the company registration shall be drawn. In the following years, the director who has been in the position for the longest time shall retire from the position of director. Who retire may be re-elected to take up the position.

4) Any director wishing to resign from his position must submit a resignation letter to the company. The resignation will be effective from the date the resignation letter reaches the company.

5) At the shareholders' meeting, a resolution may be passed to remove any director from office prior to the expiration of his/her term by a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote. And holding shares in aggregate not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.

Holding a position of director in other company

The company has a policy to limit the number of listed companies that the company's directors (Total Chief Executive Officer) will take up the position of director at other listed companies. In this regard, a director can take a director position in other companies, but not more than 5 companies. which must be considered by the Nomination and Remuneration Committee. and must be approved by the Board of Directors' meeting before taking office.

8.1.2) Attendance and quorum

The company holds a meeting at least once every three months, if there is an urgent agenda, additional special meetings can be arranged as necessary. In the meeting, the date, time and agenda are clearly set in advance throughout the year. And an invitation letter showing the meeting agenda and supporting documents is sent to each director at least 7 days in advance of the meeting date. so that the directors have enough time to study the various agendas before the meeting. Including the company has recorded the minutes of every meeting finishing within 14 days from the date of the meeting. Every Board of Directors can request to check the minutes of the meeting that have been approved by the Board of Directors, along with relevant documents from the company secretary at all the time.

In this regard, at a meeting of the Board of Directors, there must be not less than half of the total number of directors present in order to constitute a quorum. and in case of the Chairman is not present at the meeting or is unable to perform his duties, if there is a vice chairman, the vice chairman will become the chairman. If there is no Vice Chairman, the members present shall elect one among themselves to preside over the meeting.

For voting, the majority of votes are required at the meeting by one director has one vote, unless a director who has an interest in any matter has the right to vote in that matter. If the votes are equal, the chairman of the meeting shall have an additional vote as a casting vote. In order to comply with the good corporate governance principles, the Company has a policy to set a minimum quorum while voting that there must be no less than two-thirds of the total number of directors.

Meeting attendance and remuneration of individual committees

In 2022, the Company arranges a meeting of the Board of Directors. by revealing the number of meetings. and the number of times each director attended the meeting as follows:

List of director	Position	Annual Meeting 2022 (Meeting attendance/right to meeting)			
		Board of Director Meeting	%	Annual General Meeting	%
Mr.Somchai Sirilertpanich	Vice Chairman Nomination and Remuneration Committee and Chief Executive Officer	12/12	100	1/1	100
Mr.Chaiwat Asawintarakul	Director, Independent Director, Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee	12/12	100	1/1	100
Ms.Benjawan Sinkunakorn	Director, Independent Director, Audit Committee Member and Member of the Nomination and Remuneration Committee	11/12	100	1/1	100
Dr. Arichai Ractham	Director, Independent Director, Audit Committee Member Nomination and Remuneration Committee and Chairman of the Risk Management Committee	12/12	100	1/1	100
Mr.Tawee Kullertprasert	Director, Independent Director	12/12	100	1/1	100
Mr.Paisan Tungyeunyong	Director, Independent Director	12/12	100	1/1	100
Mr.Jiramote Pahasut	Director, Managing Director	12/12	100	1/1	100
Mrs.Angsana Munkongcharoen	Director, Member of the Nomination and Remuneration Committee and Assistant Managing Director	12/12	100	1/1	100

Director's Remuneration

Remuneration for directors appointed account suitability with experience, obligation. The responsibilities assigned by it must be consistent with the results of operations, size of business. It can be compared to companies listed on the Stock Exchange of Thailand in the industry and businesses of similar size. The remuneration for such directors is sufficient to motivate the competent directors to continue working with the company. For the year 2022, the directors' remuneration approved by the general meeting of shareholders

The details area as follows.

<ul style="list-style-type: none"> • Meeting allowance Board of Directors 	<ul style="list-style-type: none"> • Compensation Audit Committee 	<ul style="list-style-type: none"> • Non-Monetary Remuneration
18,000 baht/person/time	300,000 baht/person/time	- None -

Table of remuneration and meeting allowances for the Company's directors and committees for the year 2022

Remuneration and meeting allowance for the year 2022 (Baht)					
Name list	Board of Directors	Audit committee	Nomination and Remuneration Committee	Risk Management Committee	Total
Mr.Somchai Sirilertpanich	216,000	-	-	-	216,000
Mr.Chaiwat Assawintarakul	216,000	300,000	-	-	516,000
Ms.Benjawan Sinkunakorn	216,000	300,000	-	-	516,000
Dr.Archai Ruktham	216,000	300,000	-	-	516,000
Mr.Tawee Kullertprasert	216,000	-	-	-	216,000
Mrs.Angsana Munkongcharoen	216,000	-	-	-	216,000
Mr.Jiramote Pahasut	216,000	-	-	-	216,000
Mr.Paisal Tungyeunyong	216,000	-	-	-	216,000
Total	1,728,000	900,000	-	-	2,628,000

Note 1) Directors' remuneration is benefits paid to the Company's directors in accordance with Section 90 of the Public Company Limited Act B.E. and related benefits paid to directors who are also executives of the Company)

Performance appraisal of directors and sub-committees

The Company appoint an evaluation of the performance of the Board of Directors and its sub-committees. at least once a year. by evaluating the performance of the committee, both the faculty and the individual. which the purpose of this performance appraisal to increase the efficiency of the Board of Directors and sub-committees. The results of the assessment are also used to improve the performance of the Board of Directors and sub-committees. Every December, Company secretary will send a performance appraisal form to assess the annual performance. and when each committee has completed the assessment The performance appraisal form will be sent back to Company Secretary section. to collect the evaluation results of each director and summarize the assessment results for the Board of Directors and each sub- committee for further acknowledgment.

Criteria for evaluating the performance of the Board of Directors sub-committees (Both faculty and individual)

- 90-100 percent received score	mean excellent
- 80-89 percent received score	mean very good
- 70-79 percent received score	mean good
- 60-69 percent received score	mean fair
- below 59 percent received score	mean should improve

Consideration Topics



Assessment results of the Board of Directors and sub-committees (Faculty and Individual Form) Year 2022

1) Board of Directors

The faculty received a percentage score 97.52 and The individual received a percentage score 97.44 in the criteria excellent.

2) Nomination and Remuneration Committee

The faculty received a percentage score 96.32 The individual received a percentage score 95.45 in the criteria excellent.

3) Audit Committee

The faculty received a percentage score 97.50 The individual received a percentage score 96.97 in the criteria excellent.

4) Risk taking management Committee

The faculty received a percentage score 97.22 The individual received a percentage score 96.97 in the criteria excellent.

5) Chief Executive Officer get percentage score 100 in the criteria excellent.

Evaluation of the performance of the top management (Chief Executive Officer)

In 2022, the Company has assessed the performance of executives and employees. through tools to set goals and set metrics (Objective and Key Results: OKRs) for the assessment results are clear be fair and can take the results of the appraisal into consideration of the compensation, analyse and structure the curriculum for developing employees' potential effectively. To be able to improve and empower employees in accordance with the strategy of the organization.

Assessment Criteria

For the annual performance evaluation of the top management. 2 types of assessments are used together:

- From the top management performance evaluation form recommended by the Stock Exchange of Thailand as a guideline which is assessed once a year by assessing the content 1) Leadership 2) Strategy 3) Strategy implementation 4) Financial Planning and Performance 5) Board of Directors relationship 6) External relationship 7) Management and relationships with personnel 8) Succession 9) Product and service knowledge 10) Personal characteristics of the Chief Executive Officer with a score of 100 percent, which is excellent.
- From tools to set goals and set metrics or system OKRs. The performance of sustainable development is also considered, include economic, environment, society and governance, which is assessed twice a year with a score of 97%, which is excellent.

Assessment Process

The top management has set clear goals for performance indicators from the beginning of the year together with the Board of Directors.

Nomination and Remuneration. Then the Nomination and Remuneration Committee for the independent director only will evaluate. and report to the Board of Directors. About the criteria used in the assessment, and when the actual performance will be compared with the goals that have been set. both monetary and non-monetary. in order to consider the remuneration of the top management both in the short term and in the long term.

Knowledge development for directors and executives

The company encourages directors to study and provide additional training to increase their knowledge and understanding of the roles and duties of the directors for effective management. and in accordance with the principles of good corporate governance

In 2022, there are 7 directors attending training courses or attending seminars to increase their knowledge in working practice.

Name-Surname	Training course/seminar	Institute
Mr.Chaiwat Asawintarangkul	- Code of Ethics for Professional Accountants for Certified Public Accountant Gen 5	FAP
	- The 3rd ASEAN CPA: Empowering and Enhancing Sustainability of ASEAN Business	FAP
	- ASEAN Accountancy Conference on Sustainability	FAP
	- TFRS all issues Year 2022 Gen 2/22 (Sub-course 104)	FAP
	- Understanding of Fair Value TFRS 13 Gen 2/22	FAP
	- TFRS all issues Year 2022 Gen 2/22 (Sub-course 403)	FAP
	- Strategic Management Accounting Gen 2/22	FAP
	- IOD-From "Net-Zero" to "Set-Zero" reimagining business landscape	IOD

Name-Surname	Training course/seminar	Institute
Ms. Benjawan Sinkunakorn	- IOD-What Director should know about Quantum	IOD
	- SEC Knowledge of Accounting	SEC
	- Discussion on Accounting Vs Tax Chapter 14 Lease contract	SET
	- IOD Ethical Leadership Program	IOD
	- The 3rd ASEAN CPA: Empowering and Enhancing Sustainability of ASEAN Business	FAP
	- ASEAN Accountancy Conference on Sustainability	FAP
	- TFRS all issues Year 2022 Gen 2/22 (Sub-course 104)	FAP
	- TFRS all issues Year 2022 Gen 2/22 (Sub-course 403)	FAP
	- Understanding of Fair Value TFRS 13 Gen 2/22	FAP
	- IOD-Director Forum 2022-"Net-Zero" to "Set Zero"	IOD
	- IOD-Director Briefing-What Director should know about Quantum	IOD
	- SEC-Easy Listening-Knowledge of Accounting	SEC
	- TFAC-Seminar on review draft TFRS for NPAES	FAP
	- SEC-Cyber Armor "Capital Market Board Awareness 2022"	SEC
	- SET-Blockchain Technology	SET
	- SET-Digital Asset and Business Transformation	SET
	- SET-การวัดค่า Digital Asset and TDX	SET
	- SET-Summary the changes of TFRS effective in 2022	SET
Dr. Arichai Ractham	- Security Management and Leadership for Executives Program Year 2022	NDCAT
Mr. Somchai Sirilertpanich	- Core Values & Culture for Success	Mr. Yuthawinai Chotjirachaya
Mr. Jiramote Pahasutr	- Character Strengths Train-the-trainer Program	Dr. Pinyo Ratanaphan
	- Core Values & Culture for Success	Mr. Yuthawinai Chotjirachaya
Mr. Nayot Pisanthanakul	- Character Strengths Train-the-trainer Program	Dr. Pinyo Ratanaphan
	- Core Values & Culture for Success	Mr. Yuthawinai Chotjirachaya
Ms. Sangdeun Sonbalee	- CFO 2022	NYC Management
	- Update TFRS 2022	SHICUALUMNI
	- Introduction to issue and submit Financial statement	FAP

Name-Surname	Training course/seminar	Institute
	- The impact of Social Media on Code of Ethics for Professional Accountants	FAP
	- Overview standard of financial report	FAP
	- Core Values & Culture for Success	Mr. Yuthawinai Chotjirachaya
	- Character Strengths Train-the-trainer Program	Dr. Pinyo Ratanaphan

Succession plan

The company has a succession plan policy as part of the manpower deployment. The company has a plan to prepare personnel with appropriate qualifications, knowledgeable, sufficient capacity to be ready to replace executives and senior management. In case of resignation, retire, or unable to perform duties under any circumstances.

In this regard, in order to continue working in that position, fluent, efficiency and reduce the risk of not having a successor in place. Therefore, the Nomination and Remuneration Committee is assigned to prepare a succession plan and propose to the Board of Directors for consideration.

Operation procedure

1) Analyze the company's business situation in terms of strategy, policy, direction, plans to expand or slow down the business. To assess the rate of manpower needed at present and in the future that there are a number and features available to work in accordance with the Company's strategy for both short-term, long-term and urgent need.

2) Determine employee recruitment plans and develop employee training in advance. before the employee retires or early retires. However, the development plan must take into account the retirement age of employees and early retirement.

3) Determine the required abilities, knowledge, skills, personality and attitude of employees in that position.

4) Choose, evaluate the results and the potential of the employee to inherit the position that will be vacant. When an employee has been selected as a successor, must notify that employee in advance. In order to be prepared for further learning of tasks and responsibilities at a higher level

5) The selection of a successor must always determine the second and third substitution. The substitution doesn't have to have the same qualifications as the first one, but it should be close. And should not notify the substitution to prevent potential conflicts.

6) Develop and assess employees who have been selected as successors for improvement, and whether produce results as expected. However, if it does not go as expected, it will allow a timely replacement.

7) Developing the potential of successors can take many forms, for example, creating a learning culture within the organization, Job Rotation, On-the-job Training or Off-the-job Training and Coaching. The current executives transfer their experiences to the new generation executives.

Scope of work

1. Chief Executive Officer/Managing Director Level

Upon vacancy of the executive position in Chief Executive Officer and Managing Director level, or functional incapability of the person in the position, the Company shall entrust the executive in similar level or inferior level to act in the position until recruitment and selection of the qualified person according to the criteria determined by the Company. The Nomination and Remuneration Committee shall consider and propose to the Board of Directors for consideration on approval and appointment of the qualified person to further hold the position in replacement.

2. Executive Level

Upon vacancy of the executive level position or inability of the person in the position to perform his or her duty, the Company shall nominate the selected position heir and successor to the Management Committee. However, the process of the executive level position succession planning shall be as follows.

2.1) Determine personnel preparedness building plan consisting of staff recruitment and training and development plan in advance prior to retirement or early retirement of the staff.

2.2) Determine the proper qualification consisting of knowledge, skill, personality and attitude for that position, and prepare individual development plan.

2.3) Select, evaluate performance and evaluate the staff potential for suitability consideration.

2.4) Specify the position successor after evaluation and analysis on the staff qualification upon prior-notification to the staff for preparedness of work receiving and learning, and analyzing employee qualifications. must notify the staff in advance to prepare to receive and learn the job.

8.1.3) Supervision of Subsidiaries and Associated Companies

The company has a policy to invest in businesses that operate business that are beneficial. It is related to the company's core business and has good growth prospects. For the investment proportion and management policy in the subsidiary, associated Companies. And that joint venture depending on the expertise in the business investment ability and administrative power as the main. by managing the business in which the expertise company. The company will send a representative director, executive or person with controlling power in a subsidiary or associated company has been appointed by the Chief Executive Officer. Must be approved by the Board of Directors in writing. Participate in the specify of policies and management guidelines in accordance with the company's plans. As well as monitor and control the operations of the executives to be in accordance with the specified work plans. As for the power of management in other businesses that the company does not have expertise in business the company will send a representative of the company to manage directly.

During the past period, the company has a policy to expand its operations in related businesses. in a way that expands forward. Along with the plan to expand the company's principle business to grow up. Expansion of operations in other related businesses to increase revenue recognition channels, for example, Service business Newly built apartment for rent or investment in real estate with good location potential. Ready

to use and able to make money instantly as follows Management of leasehold rights of land and hotel buildings, service apartment etc.

8.1.4) Monitoring to ensure compliance with corporate governance policies and practices

The company attaches great importance to good corporate governance. The relevant policies and guidelines have been set out in the Good Corporate Governance Policy and Code of Conduct Manual of the Company. As well as to promote real practice to build confidence in all groups of stakeholders

In the past year, the company has continuously monitored to ensure compliance with good corporate governance principles covering various subjects, for example, shareholder treatment, taking care of employee, non-discrimination, anti-unfair Competition, caring for the environment, health and safety etc. Follow-up results, the company has fully implemented the guidelines. For details appear in this report.

It is divided into 5 fields as follows:

1) Right of shareholder

- 1.1) The right to receive share certificates and the right to sell or transfer shares.
- 1.2) Right to attend the shareholders' meeting.
- 1.3) The right to consider the remuneration of directors.
- 1.4) The right to appoint an auditor and set the auditor service fee.

2) Equitable treatment of shareholders

- 2.1) The right to propose agenda in advance nomination of persons, to be appointed as directors and forwarding inquiries about the company.

2.2) Proxy

3) Role of stakeholder

- | | | |
|------------------------------|----------------------------|------------------|
| 3.1) shareholder | 3.2) employee | 3.3) customer |
| 3.4) competitor | 3.5) Supplier | 3.6) creditor |
| 3.7) treatment to government | 3.8) community and society | 3.9) environment |

4) Disclosure and Transparency

- 4.1) shareholding structure
- 4.2) Reporting of Securities Holding of Directors and executives, both directly and indirectly
- 4.3) Director's Conflict of Interest Report
- 4.4) Disclosure use inside information and confidentiality
- 4.5) Connected transaction and related items
- 4.6) Communication channels, complaints and whistleblowing
- 4.7) Investor Relations

5) Responsibilities of the Board of Directors

In addition, the Company has followed up to ensure compliance with good corporate governance in 3 other matters as follows:

1. Seek to benefit from use of inside information

The Company ensures the use of inside information in accordance with the law and good corporate governance principles, defined in writing in Code of Business Conduct of the Company, establishing a policy to prevent the use of inside information for seeking to benefit in order to prevent the use of information for trading of the Company's securities by having the directors, executives, including those related to sensitive information, avoid buying, selling, transferring or accepting transfer of the Company's securities in one month before the Company's financial statements are made public and they are allowed for trading 48 hours after it has been published.

In the past year, no directors, executives were found trading securities during the period which the Company requires to refrain from buying, selling, transferring or accepting transfers (See additional details in Chapter 6, Clause 6.1.2, Section 4: Disclosure of Information and Transparency)

2. Anti-Corruption

The Company expressed its intention to join the Thai Private Sector Collective Action Coalition Against Corruption (CAC) network on 24 November 2014 and was certified as a member of the project on 9 March 2017, currently is certified for the second time on 30 June 2020. The certificate is valid for 3 years from the date of the second certification by the CAC committee.

In this regard, the Company has measures to operate in accordance with the anti-corruption and corruption policy, for example, Policy communication at levels Director, executive, employee, customer, supplier. Providing channels for reporting violations of the policy. Including protection measures for whistleblowers etc. details appears in the topic (Details are in Section 6.1.2, Section 3, Roles of Stakeholders.)



Guidelines for the supervision and control of corruption

- 1) Corruption risk assessment: The Company is required to identify risks, analyze the impact, opportunity, and severity, consider appropriate internal controls and measures to reduce the fraud risk to an acceptable level.
- 2) Review and update the Company's policies, regulations, orders and ethics in order for practitioners to understand the Company's anti-corruption policy and method with regular reviews and updates of the policies and regulations.
- 3) Communicate to the operators to be aware of the importance and participate in management of fraud risk, as well as communicating to business partners and business related parties to acknowledge the policy to demonstrate transparency and commitment to anti-corruption.



- 4) Internal control: All departments of the Company must have appropriate work procedures and internal controls established with regular reviews and updates.
- 5) There are background checks of personnel and business related persons before hiring such as contractors and distributors. These actions must be performed with consent and in accordance with applicable laws.



The Company is fully committed and devoted to operating in accordance with the procedures to comply with the anti-corruption policy of the Company and in accordance with international standards in order to emphasize the anti-corruption seriously in every step. In 2022, there was no complaints on corruption.

Supervision and supervision to prevent and monitor the risks of corruption and monitoring and evaluating the implementation of the anti-corruption policy

- 1) Disseminate to all employees through the central public relations board Communicate through the staff line channel to answer questions and reminded at the end of regular training courses.
- 2) Communicate to new employees through orientation with details in the employee handbook.
- 3) Training for employees who are stationed at the construction site the Internal Audit Department performs a Site Visit.

- 4) Disclose to outsider through the company website.
- 5) Communicate with partners through the cooperation agreement letter.



3) Whistleblowing (Whistle blowing)

The Company has channels for whistleblowing and receiving complaints. through the company website or send an email to the relevant department as appropriate, for example, Misconduct or guidelines related to corruption, impact on society, community, environment, construction damage. Ready to listen to suggestions and answer questions from the executive, employee, partner, general people and stakeholder. (More details are given in Chapter 6, Item 6.1.2, Section 3, Roles of Stakeholders.)

Summary of whistleblowing and complaint handling, During the past year, there were no significant violations of corporate governance policies and practices. The complaint is the impact of the Company's construction on the surrounding area. The company and project owners have worked together to mitigate all impacts. By following the procedures for managing the neighboring houses as specified as follows; Before accepting work under the construction contract, during the construction and after the construction was completed etc. By all complaints, the construction project has been rectified. along with notifying the progress results and remedial action plans to the complainants and related persons to be informed, for example, project owner, project consultant and company executive etc.

8.2) Report on the performance of the Audit Committee for the past year

8.2.1) The Audit Committee of Syntec Construction Public Company Limited (“the Company”) consists of 3 independent directors as follows:

Name	Position	Type of Director	Attend the meeting
Mr. Chaiwat Atsawintarangkul	Chairman of Audit Committee	Independent Director	5/5 times
Ms. Benjawan Sinkunakorn	Audit Committee	Independent Director	5/5 times
Dr. Arichai Ratcham	Audit Committee	Independent Director	5/5 times

The Company's Audit Committee is appointed by the Board of Directors and consists of 3 independent directors who perform their duties independently as assigned by the Board of Directors and according to the audit committee charter. The Company's Audit Committee are acknowledged as experts from several fields such as law, accounting, finance, economic etc. and sufficiently qualified to perform the function of reviewing the reliability of financial report in accordance with the regulations of Securities and Exchange Commission and Stock Exchange of Thailand.

During the year 2022, the Audit Committee had regularly arranged 5 meetings in total to have meeting with the management and related executive, Internal Audit and Auditor, including only Auditor meeting without Executive in the meeting room. To consider and reviewing the scope of responsible matter. The minutes of the meetings and recommendations were proposed to the Board of Directors to approve the process as deemed proper by the Board of Directors, followings are the summary of duty performance:

8.2.2) Results of performance of the Audit Committee's duties

1) Financial Report

The Audit Committee reviewed material information of financial reports, including quarterly financial statements and annual financial statements of the Company and its subsidiaries, by reviewing with the auditors and related executives, accounting policy, critical estimates based on generally accepted accounting standards, completeness of information presented in financial reports, disclosure of information of financial statements, including key audit matters related to the Company and its subsidiaries in the auditor's report, internal control and preparation of financial statements, considering the observations from the audit and review of the auditor's financial statements, as well as the impact of changes in financial reporting standards. This is to ensure that preparation of the financial reports complies with the requirements of laws and financial reporting standards, is accurate, reliable and timely, and that the information is disclosed sufficiently for the benefit of users of the financial statements. In this regard, the auditor has reviewed and reported with unqualified opinion.

2) Connected transactions or transactions that may lead to conflicts of interest

The Audit Committee reviewed the connected transactions of the Company and its subsidiaries before presenting to the Board of Directors for consideration. Such reviewing is to comply with the regulations of Good corporate governance policy. This is to ensure that the transaction is carried out in accordance with general

trading conditions and is reasonable and is in the best interest of the Company' operations and shareholders and does not cause a transfer of benefits. And the information also is disclosed to the Stock Exchange of Thailand correctly within the specified period. For information on connected transactions, the Company has disclosed in the notes to the financial statements.

3) Internal control system and internal audit

The Audit Committee has reviewed according to assessment of sufficiency of the internal control system under the framework of COSO (The Committee of Sponsoring Organizations of the Tread Way Commission), covering 5 areas as follows:



It was presented to the Board of Directors for consideration. The essence and summary have already appeared in the relevant sections of this report. And it also has reviewed independence of the internal audit operation, efficiency and effectiveness of the audit, considered and proposed opinions on the annual audit plan, recommend on audit results, especially on matters that are significant in order to have an adequate system of monitoring, supervision and internal control, as well as providing suggestions for adjusting the processes of audit process and development to keep up with the changes, supporting applying the digitalization system to the audit process with emphasis on risk assessment at the activity level, covering works/ units with a level of risk which may have a significant impact on the Company's operations, as well as encouraging the auditors to receive training to increase knowledge to create professionalism and keep up with the changes in accordance with international professional standards on internal audit.

4) Certified Public Accountant

The Audit Committee has considered and based on qualifications of the auditor, skill, knowledge and ability, sufficient resources, independence in accordance with the auditors' ethics according to the regulations of the Federation of Accounting Professions and requirements of the Securities and Exchange Commission, including performance of the auditor's duties during the past period, adequacy of resources, skills, knowledge and competence. As for the auditor's remuneration, it has considered the scope of responsibility, compensation rates for auditors of other firms that are comparable, including giving various suggestions related to the Board of Directors. The Audit Committee has considered and proposed appointment of a certified public accountant, as well as considering and proposing appropriate compensation to the Board of Directors for further submission to the Annual General Meeting of Shareholders to appoint the certified public accountant of Karin Audit Company Limited to be the certified public accountant of the Company and its subsidiaries for the year 2022.

5) Good corporate governance and risk management

The Audit Committee reviewed and commented on the good corporate governance policy in accordance with the announcement of the corporate government unit and the other relevant laws including in accordance with the Company's action plans and strategies. The Company still adheres to the good corporate governance policy, divided into 5 areas: shareholders' rights, equitable treatment of shareholders, stakeholders' roles, disclosure of information and transparency, and responsibilities of the Board of Directors, etc. For information on performance and related awards during the past year As a result of continuous implementation of the said policy, the Company received good evaluation results and awards on good corporate governance, such as evaluation of corporate governance of Thai listed companies for the year 2022 at the "Excellent" or five-star level consecutively 6 years from 2017 – 2022 from the Thai Institute of Directors Association etc. , such information has been disclosed in the Company's annual report.

For reviewing appropriateness of the risk management process, evaluation and risk mitigation guidelines and follow-up, it is in line with the rules provided with suggesting to prepare risk management tools, readiness of personnel to support rapid change, including information technology risk management and cyber threats which may have an impact on the security of the Company's information system in order to ensure that the Company's business operations have appropriate risk management guidelines and measures in accordance with the business operations of the Company, including sufficiency of the risk management system under management of the Risk Management Committee and related working groups, along with enhancing implementation of the aforementioned principles sufficiently, for the information of the risk factors have been disclosed in the Company's annual report.

6) Compliance with relevant rules

The Audit Committee has reviewed the Company's operations to conduct various businesses in accordance with the relevant laws, including the Securities and Exchange Act, Public Act And other laws relating to the Company's business operations based on the audit results of the internal auditors, the Company's auditor and the risk management report from the Risk Management Committee, including compliance with “Self-Assessment on Anti-Corruption Measures”, “Thai Private Sector Collective Action Coalition Against Corruption Project”, acknowledged the conclusion of complaints and whistle-blowing, the operations report according to Personal Data Protection Act (PDPA) to ensure the significant working system have been effectiveness of the assessment and monitoring and control of those responsible for it, as well as suggesting the Company to build knowledge and understanding on governance processes appropriate to business conditions.

The Audit Committee has performed its duties as assigned and in accordance with the Audit Committee Charter, used a wide range of knowledge and competency, with independence, carefulness, prudence, transparency and provided constructive suggestions and opinions for the benefit of all stakeholders equally and the Company and its subsidiaries place great importance on operating their business with efficiency and effectiveness.

The Audit Committee had the opinion of financial reports being prepared accurately and completely, showing significant information, reliability, and adequate disclosure. They have a good corporate governance process, risk management process continuously developed, and adequate internal control processes, including compliance with the law and regulations related to business operations, following up any changes to be prepared to encounter the risks arising in the future.

8.3) Performance of duties of other sub-committees

8.3.1) Table showing No. of the Board of Directors', all Committees' Meetings in 2022

Name-Surname	Table showing No. of the Board of Directors', all Committees' Meetings in 2022											
	Annual General Meeting		Board of director		The Audit Committee		The Risk Management Committee		The Nomination and Remuneration Committee		The Management Committee	
	org/join	%	org/join	%	org/join	%	org/join	%	org/join	%	org/join	%
Mr. Somchai Sirilertpanich	1/1	100	12/12	100					2/2	100	32/32	100
Mr. Chaiwat Atsawintarangkul	1/1	100	12/12	100	5/5	100			2/2	100		
Miss Benjawan Sinkuknakorn	1/1	100	12/12	100	5/5	100			2/2	100		
Dr. Arichai Ractham	1/1	100	12/12	100	5/5	100	4/4	100	2/2	100		
Mr. Tavee Kullertprasert	1/1	100	12/12	100								
Mrs. Angsana Munkongcharoen	1/1	100	12/12	100					2/2	100	32/15	47
Mr. Paisarn Tangyuenyong	1/1	100	12/12	100								
Mr. Jiramote Phahusutr	1/1	100	12/12	100							32/17	53
Mr. Nayot Pisantanakul											32/16	50
Mr. Yot Luksanakoset											32/32	100
Mr. Paiboon Chetchotiros							4/4	100			32/31	91
Mr. Yothin Teerattanapun							4/4	100				

8.3.2) Performance of duties of sub-committees assigned by the Board of Directors

Risk Management Committee

In 2022, the Risk Management Committee had duties and responsibilities to provide recommendations to the Board of Directors, related to the risk management of the organization as follows:

- 1) Review of sufficiency of policies and strategies and total risk management to assess whether the organization's risk management adequately covers all types of risks related to the Company's business operations, as well as emerging new risks under appropriate policy implementation.
- 2) Reporting to the Board of Directors on factors and significant problems, items that needs to be improved, and recommendations of the Board of Directors on risk management and supervision. Details are disclosed in the topic: Risk Management and Risk Factors, Part 2.

Nomination and Remuneration Committee

In 2022, the performance of the Nomination and Remuneration Committee having duties and responsibilities to provide recommendations to the Board of Directors related to the nomination and remuneration is as follows:

1. Considered policies, rules and methods for determining remunerations for the managing director and senior management from the department directors up to propose to the Board of Directors for consideration.
2. Reviewed appropriateness of the said policies and rules in accordance with various situations adequately.
3. Determined the guidelines for evaluating performance of the directors, managing director and senior management from the department directors up to consider adjusting the annual compensation.
4. Considered the information on remuneration of directors in comparison with other companies in the same industry according to the summary of the Stock Exchange of Thailand and/ or other relevant information.
5. Ensured that the directors, managing director and senior management from the department directors up received compensation appropriate to their duties and responsibilities.
6. Presented the remunerations of the managing director and senior management from the department directors up. As for the remuneration of directors, it is proposed to the shareholders for further consideration.
7. Prepared a report on remuneration of directors and top management of the Company, disclosed in the annual report of the Company.
8. Reported performance of duties to the Board of Directors on a regular basis.



9.) การควบคุมภายใน และ รายการระหว่างกัน

Internal Control and Related Transaction

9) Internal Control and Connected Transaction

9.1) Internal Control

The Company emphasizes on the internal control and risk management system, The Board of Directors has well realized the significance of the Internal Control; therefore, it has designated the Audit Committee to evaluate the adequacy of the internal control system and internal audit for the accurate financial reports, to consider the Company's and the auditor's auditing works and enable the internal control system to be adequate and suitable for business operation. Besides, the review system by internal audit division is established to evaluate and improve the effectiveness of control system, risk management and systematic governance. The Audit Committee will approve the appointment, transfer and dismissal of the Chief Internal Auditor and the performance appraisal of the Internal Audit Department.

In the year 2022, the Board of Directors Audit Committee carried out in accordance with the internal control framework of The Committee of Sponsoring Organizations of Treadway Commission (COSO 2013). The internal audit section responsible for evaluating the sufficiency of the internal control system of the Office of the Securities and Exchange Commission (SEC) consisting of 5 elements: Control Environment, Risk Assessment, Control Activities, Information & Communication and Monitoring Activities.

At The Audit Committee Meeting No. 3/2023 held on March 9th, 2023 there were 3 Audit committee attend the meeting and present to the Board of Director that assessed the internal control system by asking from the management. In conclusion that "Syntec Construction Public Company limited" has internal control system is adequate and suitable. There are enough personnel to implement the specified work system. There is an internal control system in the care of assets including transactions with persons who may have sufficient conflicts of interest as a result of the past audits, there were no significant flaws in the internal control system. For internal control on other topics Board of Directors and Audit Committee It is of the view that the Company has an adequate internal control system as well. The essence of all 5 components can be summarized as follows:

1) Control Environment

The company has organized the organizational structure to allow the internal control system to operate in accordance with the specified objectives. The Company has arranged a good internal control activity consisting of financial examination and the operation according to relevant regulations, rules and laws. The separation of duties and responsibilities between the Board of Directors and the management Human resource management for sustainable skills and competencies, including continuously reviewing and improving the business ethics of the Company. Communication for all levels of employees to be informed as well as training for providing knowledge related during the year 2022, the company established the policy of "No accepting" gifts, gifts or other benefits (No Gift Policy) to be a guideline for the management and employees of the company.

2) Risk Assessment

The Company's Risk Management Committee is responsible to propose the suggestions of suitable risk management and guideline to the Management, the Board of Directors has concerned on the importance of risk management and arranged the risk management policy to assess 4 types of risks which are strategic risk, operational risk, financial risk and risk of relevant laws and regulations, the assessment on corruption risk is also assessed to organize the suitable and sufficient protection system. Besides, tools for risk management are also reviewed and built to support and promote the business operation to achieve the target. This also includes reviewing and building the risk management tools to minimize the potential impact on the Company's business.

The Risk Management Committee has regulated all divisions of the Company to prepare the risk of each division by establishing a risk management plan covering assessment, analysis and review of risk management and risk reduction measures to ensure that risk are at the acceptable level. The following up must be regular reported, The Risk Management Committee will oversee, monitoring, providing additional suggestions. The Risk Management Committee will report the operating results to the Board of Directors for further acknowledgment.

3) Control Activities

These various items were prepared in writing: Internal control policies, procedures, and operating manuals including scope of duties Authority to approve with a review to be current. The company has considered the principles of good internal control such as separation of duties, approval, recording, information communication and take care of property storage both in finance, accounting, procurement and general administration. In order for every system to have sufficient internal control processes especially those with conflicts of interest or transactions that may have interests, etc., The introduced various information technology systems assist in the control and help evaluate the performance under the security of access and appropriate use of information.

The company also has a policy for those involved in the business operations of the company, including employees, customers, partners and all stakeholders, have participated in the whistleblowing measures (Whistleblower Policy) can report complaints or clues. Moreover, in order to ensure the complaint information will be kept confidential do not leak to unrelated parties, transparent operation can check and in accordance with the provisions of the law stipulated.

4) Information & Communication

The Communication system is arranged to proceed to external people or organizations with complete, accurate and on-time news and information including financial data or other information with adequacy for decision making via the Company' website (www.synteccon.com). Performance reports will be effectively delivered to many organizations according to the regulation of the Securities and Exchange Commission and the regulation of the Securities Exchange of Thailand and the Capital Market Supervisory Board as schedule.

As for the internal communication, the company provides channels of communication that are necessary for the operation to be sufficient and up to date, such as various policies, regulations work guide and important information in order for employees and executives to receive news and information up-to-date properly implemented.

5) Monitoring Activities

The company requires executives in every department to have a duty and responsibility to review the work of the department to be in accordance with the specified policy, including compliance with regulations and internal control systems. The management has held a follow-up meeting whole weekly and monthly regularly.

There is follow-up and monitor the important rule of compliance. The Compliance department has implemented and monitored the company to act correctly and sufficiently. The internal audit plans an annual audit plan by considering activities with risk as well as performing duties independently in terms of assurance and consulting, as well as providing suggestions and recommendations for improvement and development in accordance with the internal control system adequacy assessment form which has been considered by the management Audit Committee and the board of directors.

The Board of Directors is of the opinion, in the present the company has an adequate internal control system in relation to transactions with persons who may have conflicts of interest and connected persons. The other topic of internal control, The Board of Directors is of the opinion that the Company has sufficient internal control as well.

The Company's Audit Committee has ensured that the person holding the position of Chief of Internal Audit has educational qualifications, experience, and training that are suitable for performing duties. The Audit Committee is also responsible for considering and approving the appointment, removal, and transfer of the head of the internal audit unit of the Company. by the qualifications of the person holding the position of Head of Internal Audit (appeared in attachment 3)

At the Audit Committee meeting No.4/2011, held on 15 August 2011, the meeting resolved to appoint Mr. Pornanan Vongnipon to take the position of Head of Internal Auditors of the Company since 15 August 2011 because he have experience in the performance of supervisory tasks, internal Audit of Financial Institutions Business for more than 10 years, He have been trained in courses related to the practice of internal audits, such as the Professional Certificate of Internal Auditing in Thailand and have an understanding of the activities and operations of the company. Therefore, it is appropriate to perform such duties appropriately and adequately.

The Company assigned Mr. Watjakorn Sanpor, Senior Compliance Officer (Compliance Department), who is responsible for the center of supervising the Company's compliance with the laws, rules, regulations, policies and requirements of relevant government agencies of the company's business operations who were appointed to start with effective on November 30th, 2022 replacing of Ms. Rattapawee Lapnan, Acting Compliance Manager who resigned with effective on November 30th, 2022. The qualifications of the head of internal auditors and head of compliance unit are shown in Attachment 3).



9.2) Related Transaction

Related Transactions for the past year

9.2.1) Interrelated transactions between the Company with subsidiaries and relevant people in 2022 made by new management. (Debt restructuring plan management and present management)

Name and relationship	Nature of transactions	Amount (Million Baht)	Necessity of transaction
SCR Asset Management Company Limited - Subsidiary - The Company holds 68% of the registered capital of SCR Asset Management Co., Ltd. - The Company's directors (Mr. Jiramote Phahusutr and Mr. Somchai Sirilertpanich) are directors of SCR Asset Management Co., Ltd.	- Interest income	2.28	The Company provided a loan for real estate development and working capital of both projects in the amount of 85 million baht, with interest at rate of MLR - 2.50 per year (equivalent to the interest rate offered by Bank of Ayudhya Public Company Limited to the subsidiary), with term of 2 years.
	- Loans	85.00	
	- Accrued interest	0.24	
	- Management fee income	1.80	The Company entered into a service agreement with SCR Asset Management Company Limited to manage the project for both Project 1 and Project 2. The said transaction is considered as a connected transaction in type of supporting normal business transaction with general commercial terms and mutually agreed contract price.
	- Other receivables	0.15	
CSM Capital Partners Company Limited - Subsidiary - The Company holds 60% of the registered share capital of CSM Capital Partners Company Limited - Directors of the Company (Mr. Jiramote Phahusutr and Mr. Somchai Sirilertpanich) are directors of CSM Capital Partners Company Limited.	- Management fee income	1.44	The Company entered into a service agreement with CSM Capital Partners Company Limited to control management of project named "Eight Thonglor" for both hotel management and retail management. The said transaction is considered as a connected transaction in type of supporting normal business transaction with general commercial terms and mutually agreed contract price.
	- Other receivables	0.12	
PT 3 Land Company Limited - Subsidiary - The Company holds 79.98% of the registered share capital of PT 3 Land Company Limited. - The Company's directors (Mr. Jiramote Phahusutr and Mr. Somchai Sirilertpanich) are directors of PT 3 Land Company Limited	- Service fee income	0.36	The Company entered into a service agreement with PT 3 Land Company Limited to provide project consultation and coordination to prepare work and documents. The said transaction is considered as a connected transaction in type of supporting normal business transaction with general commercial terms and mutually agreed contract price.
	- Other receivables	0.03	

Name and relationship	Nature of transactions	Amount (Million Baht)	Necessity of transaction
<u>JT 10 Company Limited</u> - Subsidiary - The Company holds 84.98% of the registered share capital of JT 10 Company Limited. - The Company's directors (Mr. Jiramote Phahusutr and Mr. Somchai Sirilertpanich) are directors of JT 10 Company Limited	- Service fee income - Other receivables	0.36 0.03	The Company entered into a service agreement with JT 10 Company Limited to provide project consultation and coordination to prepare work and documents. The said transaction is considered as a connected transaction in type of supporting normal business transaction with general commercial terms and mutually agreed contract price.
	- Service fee income - Other receivables	0.06 0.05	The Company entered into a service agreement with SHG Management Company Limited to provide project consultant and coordination to prepare work and documents. The said transaction is considered as a connected transaction in type of supporting normal business transaction with general commercial terms and mutually agreed contract price.
<u>AN 8 Co., Ltd.</u> - Subsidiary - The Company holds 79.90% of the registered share capital of AN8 Company Limited. - The Company's directors (Mr. Jiramote Phahusutr and Mr. Somchai Sirilertpanich) are directors of AN 8 Company Limited	- Loans - Interest income - Accrued interest	118.00 3.43 0.32	AN8 Company Limited provided a loan to CSM Capital Partners Company Limited, a subsidiary in the same group, for real estate development in amount of 118 million baht with interest rate MLR - 2.75 per year (equivalent to the rate offered by Bank of Ayudhya Public Company Limited to the subsidiary)
<u>Natural Ville Service Apartment and Management Company Limited</u> - Subsidiary - The Company holds 99% of the registered share capital of Natural Ville Service Apartment and Management Company Limited - The Company's directors (Mr. Jiramote Phahusutr and Mr. Somchai Sirilertpanich) are directors of Natural Ville Service Apartment and Management Company Limited	- Management fee income	13.57	The Company hired Natural Ville Service Apartment and Management Company to manage the service apartment. The said transaction is considered as a connected transaction in type of supporting normal business transaction with general commercial terms and mutually agreed contract price.
<u>SHG Management Company Limited</u> - Subsidiary - The Company holds 70% of the registered share capital of SHG Management Company Limited - The Company's directors (Mr. Jiramote Phahusutr and Mr. Somchai Sirilertpanich) are directors of SHG Management Company Limited	- Interest income - Loans - Service fee income	0.01 1.40 3.22	The company lent money to use as working capital of the Company in the amount of 2.8 million baht, with interest rate MLR - 2.75 per year (equivalent to the rate offered by Bank of Ayudhya Public Company Limited to the subsidiary) for a term of 2 years. The Company entered into a service agreement with SHG Management Company Limited to provide project consultant and coordination to prepare work and documents. The said transaction is considered as a connected

Name and relationship	Nature of transactions	Amount (Million Baht)	Necessity of transaction
			transaction in type of supporting normal business transaction with general commercial terms and mutually agreed contract price.
	- Service fee income	2.58	
	- Rental Fee	0.45	The Company hired SHG Management Co., Ltd. to manage the service apartment and rent the area for building office. The said transaction is considered as a connected transaction in type of supporting normal business transaction with general commercial terms and mutually agreed contract price.
	- Management fee income	2.09	
	- Trade account receivable	0.33	The Company hired Tate Enterprise Co., Ltd. to manage the service apartment. The said transaction is considered as a connected transaction in type of supporting normal business transaction with general commercial terms and mutually agreed contract price.
<u>Delta Infra Company Limited</u>	- Service fee income	0.36	The Company entered into a service agreement with Delta
- Subsidiary	- Other receivables	0.03	Infra One Company Limited to provide project consultation and coordination to prepare work and documents. The said transaction is considered as a connected transaction in type of supporting normal business transaction with general commercial terms and mutually agreed contract price.
- The Company holds 90% of the registered share capital of SHG Management Company Limited			
- The Company's directors (Mr. Jiramote Phahusutr and Mr. Somchai Sirilertpanich) are directors of Delta Infra One Company Limited	- Service fee income	0.33	The Company provided a loan for Delta Infra One Company
	- Other receivables	29.50	Limited for working capital total amount 29.5 million baht, with interest rate MLR - 2.50 per year (equivalent to the rate offered by Bank of Ayudhya Public Company Limited to the subsidiary) for a term of 2 years.
	- Accrued interest	0.09	
<u>Tate Enterprise Company Limited</u>			
- Related company			
- The Company's management (Mr. Nayot Pisanthanakul), key management personnel and persons related to the Company altogether holds shares in Tate Enterprise, accounting for 99.98% of registered capital of the company.	- Purchase of foods and drinks to be used in meetings or banquets according to various agenda	2.09	The Company purchased products from Tate Enterprise Co., Ltd. to use food and beverages in meetings or banqueting according to various agendas. The said transaction is classified as a connected transaction in type of supporting normal business transaction with general commercial terms because there is a credit term of 30 days, which is the same as the general public.
	- Trade account receivable	0.33	
<u>N&J Hospitality Company Limited</u>			
- Related company			
- The Company's director (Mr. Jiramote Phahusutr), key management personnel and persons related to the Company altogether hold shares in N&J Asset Management Co., Ltd., representing 100% of the company's registered capital.	- Purchase of foods and drinks to be used in meetings or banquets according to various agenda	0.37	The Company purchases products from N&J Hospitality Co., Ltd. to use food and beverages in meetings or banqueting according to various agendas. The said transaction is classified as a connected transaction in type of supporting normal business transaction with general commercial terms because there is a credit term of 30 days, which is the same as the general public.
	- Other payables	0.92	

Name and relationship	Nature of transactions	Amount (Million Baht)	Necessity of transaction
<u>Safe Series Co., Ltd.</u> -Related company - Key management personnel (Mr. Nayot Pisanthanakul) and persons related to the Company jointly hold shares in Safe Series Company Limited, accounting for 9.25% of the registered capital.	- Material and service costs - Trade payable - Retention payable	79.63 10.63 3.47	The Company purchases services from Safe Series Co., Ltd., which are cost of materials and services related to the system used in the building and is considered a part of the building construction cost. This is classified as a connected transaction in type of supporting normal business transaction with general commercial terms since the Company had compared the service charge with other companies, which the Company took service, and such rate is close to the market rate, which is in accordance with normal trade.
<u>Narai Phand Company Limited</u> - Related company - The Company's director (Mr. Jiramote Phahusutr), key management personnel and persons related to the Company altogether hold shares in Narai Phand Co., Ltd., representing 36.11% of the company's registered capital.	- Purchase of souvenirs, presents, gifts and New Year baskets	0.03	The Company buys products from Narai Phand Company for use as souvenirs, presents, gifts and New Year baskets according to various occasions and festivals. This is classified as a connected transaction in type of supporting normal business transaction with general commercial terms because there is a credit term of 30 days, which is the same as the general public.
<u>Chuaphaibul Steel Co., Ltd.</u> -Related company -The Company's director (Mr. Jiramot Phahusutr), key management personnel and persons related to the Company altogether hold shares in Chuaphaibul Steel Co., Ltd., representing 22.84% of the company's registered capital.	- Purchase of construction material - Trade payable	94.34 7.67	The Company and its subsidiaries purchased construction materials from Chuaphaibul Steel Co., Ltd., which are materials used in construction of buildings and are considered part of the building construction costs. This is classified as a connected transaction in type of supporting normal business transaction with general commercial terms since the Company had compared the rate of construction materials with other companies, which the Company took service, and such rate is close to the market rate, which is in accordance with normal trade.
<u>N&J Asset Management Company Limited</u> - Related company - The Company's director (Mr. Jiramote Phahusutr), key management personnel and persons related to the Company altogether hold shares in N&J Asset Management Co., Ltd., representing 100% of the company's registered capital.	- Building space lease to use as an office	2.78	The Company entered into an office building space lease agreement, 23 rd floor, SSP Tower, total area of 614.93 square meters, rental rate of 215,225 baht (350 baht per square meter) for the purpose of using as the Company's office. This is classified as a connected transaction in type of supporting normal business transaction with general commercial terms since the Company had compared the rental rate of office buildings in the same building and nearby buildings. The average rental rate of others is 450 baht per square meter, which is higher than the rate which the Company is paying.
<u>Thonglor Management Co., Ltd.</u> - Related company - The Company's director (Mr. Jiramote Phahusutr), key management personnel and	- Management Fee - Other payables	18.40 1.36	CSM Capital Partners Company Limited hired Thonglor Management Company Limited on management of serviced apartments. This is classified as a connected

Name and relationship	Nature of transactions	Amount (Million Baht)	Necessity of transaction
persons related to the Company altogether hold shares in Thonglor Management Co., Ltd., representing 51% of the registered capital.			transaction in type of supporting normal business transaction with general commercial terms since the Company had compared the management fee with other companies, which the Company took service, and such rate is close to the market rate, which is in accordance with normal trade.
<u>Thai Roong Ruang Industry Co., Ltd.</u> - Related company - The Company's director (Mr. Jiramote Phahusutr), key management personnel and persons related to the Company altogether hold shares in Thai Roong Ruang Industry Co., Ltd., representing 20.80% of the registered capital.	- Trade payable - Receivable of rentention under construction contract - Construction income	52.54 39.65 5.40	The Company entered into a contract for construction of Sugar Factory at Sakon Nakhon for Thai Roong Ruang IndustryCo, Ltd. , This is classified as a connected transaction in type of supporting normal business transaction with general commercial terms since the Company had compared the service charge with other companies, which the Company took service, and such rate is close to the market rate, which is in accordance with normal trade.
<u>The Gas Carrier Co., Ltd.</u> - Related company - The key management personnel (Mr. Jiramote Phahusutr), which is a director of The Gas Carrier Co., Ltd., and persons related to the director altogether hold shares in The Gas Carrier Co., Ltd., representing 40% of the registered capital.	- Service income	0.33	The Company entered into a contract for service of The Gas Carrier Co., Ltd. for supporting business operations in the renewable energy business to assist in providing Buying and selling renewable energy in various forms. This is classified as a connected transaction in type of supporting normal business transaction with general commercial terms since the Company had compared the service charge with other companies, which the Company took service, and such rate is close to the market rate, which is in accordance with normal trade.
<u>Thai Ruam Toon Warehouse Co., Ltd.</u> - Related company - The Company's director (Mr. Jiramote Phahusutr), key management personnel and persons related to the Company altogether hold shares in Thai Ruam Toon Warehouse Co., Ltd. representing 0.85% of the registered capital.	- Construction income	0.36	The Company entered into a contract for service of repairing renovate port, camp of worker and renovate road on the port. This is classified as a connected transaction in type of supporting normal business transaction with general commercial terms since the Company had compared the service charge with other companies, which the Company took service, and such rate is close to the market rate, which is in accordance with normal trade.

9.2.2) Necessity and justification of the connected transactions

The company has proceeded with caution in making connected transactions for the best benefit of the Company and of those who are involved. The connected transactions with businesses related to the company are in accordance with the general commercial principles/ conditions of the business, done fairly at the market price and according to normal trades, including the same price as the transactions made with third parties. The the Company considered approving those transactions as same as general customers.

The connected transactions have been considered within the framework of good ethics and under requirements of the Stock Exchange of Thailand, as well as the disclosure of related information by the Audit

Committee of the Company which consists of qualified directors, who are independent, according to the regulations of the governing body. The Audit Committee has an opinion that the connected transactions are normal business transactions at the same price as doing transactions with third parties and have been applied for approval with disclosure of adequate information in accordance with the prescribed rules.

9.2.3) Measures or procedures for approval of connected transactions

The Company gives precedence to consideration of the connected transactions by organizing measures to approve the transactions in accordance with the rules, announcement from the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand strictly. They must be considered by the Board of Directors. And the Audit Committee has to consider and approve the said transaction as well. For the meeting of the Board of Directors in the agenda where there is a director who has a conflict of interest, such director will not participate and has no right to vote on that agenda in order to allow the meeting to discuss and vote independently.

9.2.4) Policy or trend of conducting connected transactions in the future

The connected transactions in the future shall being line with the Company's general business operations with policies and procedures conforming to and in accordance with the requirements of the law, rules, announcements from the Securities and Exchange Commission and the Stock Exchange of Thailand strictly in regard to the connected transaction, including acquisition or disposition of assets of listed companies. To conduct the connected transactions, the Company mainly has taken into account justification of the transaction, the best interests of the Company and of those who are involved.

3

งบการเงิน

Financial Report

Independent Auditor's Report

To the Shareholders of Syntec Construction Public Company Limited

Opinion

I have audited the consolidated and separate financial statement of Syntec Construction Public Company Limited and its subsidiaries, which comprise the consolidated and separate statements of financial position as at December 31, 2022, and the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Syntec Construction Public Company Limited and its as at December 31, 2022, and its financial performance and its 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 Standard on Auditing, My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group and the Company 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 consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Handwritten signature

Recognition of revenue from construction

The Company has operated construction business and recognized contract revenues based on the percentage of completion under contract. The percentage of completion is calculated by comparing the construction cost of the work completed up to the present with the estimated total construction cost including the additional and deductible work. The process of determining state of completion each project requires the management and project manager to apply significant judgement in considering carefully to estimate project cost for each project including the trend of changes in construction material price, labour, expenses relating to construction, the probability of construction work delayed, and barriers to construct which may cause the Company's burden. In 2022, the Group and the Company had contract revenues amounted to Baht 4,708.72 million and Baht 4,708.72 million (accounting for 90 percent and 97 percent, respectively of total revenues), contract costs amounted to Baht 4,707.87 million and Baht 4,707.87 million (accounting for 84 percent and 93 percent, respectively of total expenses), unbilled construction in progress amounted to Baht 745.07 million and Baht 745.07 million (net amount was 8 percent and 10 percent, respectively of total assets), and provisions such as the estimated costs of rectification in the period of guarantee work totaled to Baht 47.13 million and Baht 47.13 million (accounting for 1 percent and 3 percent, respectively of total liabilities). Therefore, key audit matter is the recognition of contract revenues by percentage of completion, estimate of total construction cost of each project to assessing percentage of completion of each project, the estimate of expected project losses from construction and other provisions. These transactions impact to the Group's and the Company's financial statements.

Audit Responses

- Understand the process of construction contracting, hiring subcontractors about a detail of contract, estimate of construction cost, estimate of rectification cost in the period of guarantee work, payment and process of accounting records, authorization including related internal control procedures
- Review the design and implementation of such internal control procedures;
- Perform the operating effectiveness testing over the internal control procedures related to estimating construction costs, procurement of construction materials, payment of labor, and hiring cost of subcontractors, etc.

pk

- Perform substantive testing as follows:
 - Review the terms of construction contracts and variation order occurring during year;
 - Review the method used by the management to monitor and consider the reasonableness of the evaluation of state of completion, revision of estimating construction costs, estimation of cost of rectification in the period of guarantee work, authorization and sampling test on related documents;
 - Test calculating percentage of completion of each project;
 - Analyze and compare the stage of completion of the project from the actual construction cost and the estimated stage of completion. By the company's project engineers and client project consultants.
 - Test the accuracy of purchasing construction materials, payment of labor and remuneration to subcontractors, and related expenses against supporting documents
 - Observe the projects in progress at the year-end including inquiry of engineers / supervisors who were responsible, and understand the approach used in assessing the stage of completion of work
 - Review the adequacy of disclosures in note to the financial statements.

Allowance for credit losses

Under TFRS 9, The Group is required to determine allowance for trade receivables or contract assets under TFRS 15 that do not have a significant financing element. Using a simplified approach for measuring the value of expected credit losses (ECL).

The management is required to make significant judgment in calculation of the expected credit losses. Because the method has to take into account the mean probability with the expected probability, time value of money and the best information that can find about forecasting the future. Also, as at December 31, 2022, the Group and the Company had those receivables totaling Baht 2,276.63 million and Baht 2,270.95 million, respectively, and allowance for credit losses totaling Baht 162.05 million and Baht 162.05 million, respectively. (net amount was 22 percent and 27 percent of total assets, respectively)

Therefore, I pay particular attention to the adequacy of allowance for credit losses of those receivables.

Audit Responses

- Understand the process of accounting records, contracting, issuing invoice, authorization of transactions, following – up debts, collection of debts, estimate of allowance for doubtful accounts and related internal control procedure.
- Review the design and implementation of such internal control procedures;
- Perform the operating effectiveness testing over the internal control procedures;
- Perform substantive testing as follows:
 - Send the confirmation of requests to trade accounts receivable and retention receivables under construction contracts at the end of year;
 - Evaluate and test relevant inputs and assumptions used to calculate expected credit losses.

- Review the management's judgment in estimating the expected credit losses;
- Verify the analytical receivables aging report of trade accounts receivable, retention receivables under construction contracts and unbilled construction in progress to corroborate on whether each receivable was classified in the appropriated arrear bracket, and the method of computation of the allowance for doubtful accounts;
- Calculation test the allowance for credit losses.
- Verify subsequent collection from receivables after the reporting period;
- Review the litigation report with respect to receivables and opinion of internal legal consultant of the Company including review the appropriate of collateral value;
- Review the adequacy of disclosures in note to financial statements.

Other Information

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

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

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

When I read the above mentioned annual report of the Group, if I conclude that there is a material misstatement thereon, I am required to communicate the matter to those charged with governance and request further appropriate corrections.



Responsibilities of Management and Those Charged with Governance for the Consolidated

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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



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

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Komin Linphrachaya



Mr. Komin Linphrachaya

Certified Public Accountant (Thailand) No. 3675

Karin Audit Company Limited

February 24, 2023.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

(Unit : Baht)

	Notes	Consolidated		Separate	
		December 31,2022	December 31,2021	December 31,2022	December 31,2021
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		242,794,043	338,282,200	104,284,716	234,124,643
Other current financial assets	5	1,932,595,596	1,727,232,151	1,931,631,656	1,726,272,541
Trade accounts receivable	4, 6	685,189,832	537,777,427	679,510,577	530,611,129
Other current receivables	4, 7	113,092,246	72,415,287	90,509,879	68,278,524
Current contract assets	4, 8	1,252,800,174	1,335,761,271	1,252,800,174	1,335,761,271
Short-term loans	4	-	-	117,300,000	84,400,000
Inventories	9	107,335,630	121,725,275	105,771,028	120,723,782
Advance payments to subcontractors		232,401,542	125,245,524	232,401,542	125,245,524
TOTAL CURRENT ASSETS		4,566,209,063	4,258,439,135	4,514,209,572	4,225,417,414
NON-CURRENT ASSETS					
Other non-current financial assets	4	736,679,740	631,439,777	736,679,740	631,439,777
Investment in subsidiaries	10	-	-	1,566,480,850	1,531,981,600
Non-current contract assets	8	176,594,274	123,420,152	176,594,274	126,520,543
Property investments	12	487,945,916	508,797,639	6,673,897	7,125,008
Property, plant and equipment	13	2,956,661,075	3,071,718,472	510,131,172	548,396,291
Right of use assets	14	608,482,450	1,026,594,659	26,964,115	439,478,988
Intangible assets	15	17,197,547	7,119,993	15,612,147	6,767,149
Withholding tax		168,811,414	192,747,122	149,571,899	177,751,096
Pledged deposit at bank	34	21,166,034	21,894,784	1,165,000	1,893,750
Deferred tax assets	20	-	2,883,962	-	2,883,963
Other non-current assets		15,876,477	20,447,271	9,000,391	9,489,230
TOTAL NON-CURRENT ASSETS		5,189,414,927	5,607,063,831	3,198,873,485	3,483,727,395
TOTAL ASSETS		9,755,623,990	9,865,502,966	7,713,083,057	7,709,144,809

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

(Unit : Baht)

	Notes	Consolidated		Separate	
		December 31,2022	December 31,2021	December 31,2022	December 31,2021
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Trade accounts payables	4, 16	255,964,560	222,574,015	244,832,874	214,407,153
Other current payables	4, 17	338,435,178	353,773,532	283,663,337	335,793,340
Short-term loans from related parties and persons	4	1,200,000	600,000	-	-
Current portion of long-term loans	19	151,520,639	152,006,807	-	-
Current portion of lease liabilities	4, 14	25,156,572	37,285,768	24,882,945	37,009,287
Corporate income tax payable		237,549	291,588	-	-
Current provisions for employee benefits	21	15,660,404	5,730,649	14,732,833	5,634,430
Contract liabilities	4, 8	602,316,782	216,880,806	602,316,782	216,880,806
Retention payables from subcontractors	4, 18	305,251,823	315,868,979	305,251,823	315,868,979
Undue value added tax		101,698,602	87,613,623	101,698,602	87,613,623
Other current provisions	22	47,129,505	14,942,299	47,129,505	14,942,299
Other current liabilities		24,113,616	38,037,580	5,304,960	5,003,348
TOTAL CURRENT LIABILITIES		1,868,685,230	1,445,605,646	1,629,813,661	1,233,153,265
NON-CURRENT LIABILITIES					
Long-term loans	19	1,324,089,677	1,383,026,685	-	-
Lease liabilities	4, 14	488,904,387	648,767,385	5,086,115	189,660,235
Deferred tax liabilities	20	24,963,319	2,419,612	24,759,849	-
Non-current provisions for employee benefits	21	171,316,728	194,855,171	165,725,554	186,783,663
Other non-current provisions	22	39,807,167	35,228,239	34,154,438	31,537,839
Deposit from customers		20,282,734	5,261,173	-	-
TOTAL NON-CURRENT LIABILITIES		2,069,364,012	2,269,558,265	229,725,956	407,981,737
TOTAL LIABILITIES		3,938,049,242	3,715,163,911	1,859,539,617	1,641,135,002

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

(Unit : Baht)					
		Consolidated		Separate	
	Notes	December 31,2022	December 31,2021	December 31,2022	December 31,2021
LIABILITIES AND EQUITY					
SHAREHOLDER'S EQUITY					
Share capital					
Authorized share capital					
1,590,957,300 ordinary shares : Baht 1 per share					
(2021 : 1,600,000,000 ordinary shares)		1,590,957,300	1,600,000,000	1,590,957,300	1,600,000,000
Issued and paid share capital					
1,590,957,300 ordinary shares : Baht 1 per share					
(2021 : 1,600,000,000 ordinary shares)		1,590,957,300	1,600,000,000	1,590,957,300	1,600,000,000
Treasury shares	24	-	(22,899,616)	-	(22,899,616)
Share premium					
Share premium on ordinary shares		23,744	23,744	23,744	23,744
Discount from changes in the ownership					
interests in subsidiary		(6,869,861)	(6,869,861)	-	-
Retained earnings					
Appropriated					
Legal reserves		160,000,000	160,000,000	160,000,000	160,000,000
Treasury share reserves	24	-	22,899,616	-	22,899,616
Unappropriated		3,137,199,552	3,519,907,091	3,690,616,696	3,980,232,333
Other components of shareholders' equity		411,945,700	327,753,730	411,945,700	327,753,730
TOTAL EQUITY ATTRIBUTABLE TO OWNERS					
OF THE PARENT COMPANY		5,293,256,435	5,600,814,704	5,853,543,440	6,068,009,807
Non-controlling interests	11	524,318,313	549,524,351	-	-
TOTAL SHAREHOLDERS' EQUITY					
		5,817,574,748	6,150,339,055	5,853,543,440	6,068,009,807
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY					
		9,755,623,990	9,865,502,966	7,713,083,057	7,709,144,809

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)				
Notes	Consolidated		Separate	
	2022	2021	2022	2021
Revenues				
Contract revenues	4,708,721,006	4,964,537,379	4,708,721,006	4,964,537,379
Revenue from rendering of services	397,062,952	270,209,277	51,592,127	25,356,027
Gain on disposal and write off of assets	4,695,985	3,840,998	4,695,985	3,840,998
Reversal allowance for credit losses	4,765,623	-	4,765,623	-
Interest income	549,520	947,479	3,254,080	3,084,331
Other income	40,507,148	74,365,085	32,082,138	69,361,128
Total revenues	5,156,302,234	5,313,900,218	4,805,110,959	5,066,179,863
Expenses				
Contract costs	4,707,874,619	4,405,238,059	4,707,874,619	4,405,238,059
Cost of rendering of services	334,888,257	317,015,702	56,159,709	57,412,796
Distribution costs	44,433,440	33,329,967	21,653,896	20,781,759
Administrative expenses	372,657,818	360,305,834	259,709,725	267,896,085
Other expenses	33,994,889	2,342,800	25,490,550	2,342,800
Finance costs	71,912,706	75,545,412	6,629,414	9,052,070
Total expenses	5,565,761,729	5,193,777,774	5,077,517,913	4,762,723,569
Profit (loss) before income tax expense	(409,459,495)	120,122,444	(272,406,954)	303,456,294
Income tax expense	28 (661,163)	56,206,167	981,394	56,431,896
Profit (loss) for the year	(408,798,332)	63,916,277	(273,388,348)	247,024,398

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2022

		(Unit : Baht)			
		Consolidated		Separate	
Notes		2022	2021	2022	2021
Other comprehensive income					
Items that will not be reclassified					
subsequently to profit or loss :-					
Gains (loss) on investment in equity designated at fair value					
through other comprehensive income	4	105,239,963	7,517,140	105,239,963	7,517,140
Gains (loss) on remeasurements of defined benefit plans	21	29,683,423	-	28,072,128	-
Income tax relating to components of other comprehensive					
income that will not be reclassified to profit or loss	28	(26,662,418)	(1,503,428)	(26,662,418)	(1,503,428)
Total items that will not be reclassified					
subsequently to profit or loss		108,260,968	6,013,712	106,649,673	6,013,712
Other comprehensive income (loss) for the period, net of tax		108,260,968	6,013,712	106,649,673	6,013,712
Total comprehensive income (loss) for the period		(300,537,364)	69,929,989	(166,738,675)	253,038,110
Profit (loss) attributable to :-					
Owners of the parent		(367,793,858)	125,232,981	(273,388,348)	247,024,398
Non - controlling interests	11	(41,004,474)	(61,316,704)	-	-
Profit (loss) for the period		(408,798,332)	63,916,277	(273,388,348)	247,024,398
Total comprehensive income (loss) attributable to :-					
Owners of the parent		(259,830,576)	131,246,693	(166,738,675)	253,038,110
Non - controlling interests		(40,706,788)	(61,316,704)	-	-
Total comprehensive income (loss) for the period		(300,537,364)	69,929,989	(166,738,675)	253,038,110
Earnings per share					
Basic (in Baht)	29	(0.23)	0.08	(0.17)	0.16

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

Consolidated														
Equity attributable to owners of the parent														
Notes	Issued and paid share capital	Treasury shares	Share premium on ordinary shares	Discount from changes in the ownership interests in subsidiary	Retained earnings			Other components of shareholder's equity			Total equity attributable to owners of the parent	Non controlling interests	Total shareholders' equity	
					Appropriated		Unappropriated	Gains (Losses) on remeasurements of defined benefit plan	Available equity securities	Total other components of shareholder's equity				
					Legal reserve	Treasury shares reserve								
Balance as at January 1, 2021	1,600,000,000	(22,899,616)	23,744	(6,869,861)	160,000,000	22,899,616	3,521,947,903	-	321,740,018	321,740,018	5,596,841,804	569,803,505	6,166,645,309	
Dividens to shareholders	30	-	-	-	-	-	(127,273,793)	-	-	-	(127,273,793)	-	(127,273,793)	
Acquisition for non-controlling interests without a change in control		-	-	-	-	-	-	-	-	-	-	41,037,550	41,037,550	
Total comprehensive income (expense) for the year		-	-	-	-	-	125,232,981	-	6,013,712	6,013,712	131,246,693	(61,316,704)	69,929,989	
Ending balance as at December 31, 2021		1,600,000,000	(22,899,616)	23,744	(6,869,861)	160,000,000	22,899,616	3,519,907,091	-	327,753,730	327,753,730	5,600,814,704	549,524,351	6,150,339,055
Balance as at January 1, 2022		1,600,000,000	(22,899,616)	23,744	(6,869,861)	160,000,000	22,899,616	3,519,907,091	-	327,753,730	327,753,730	5,600,814,704	549,524,351	6,150,339,055
Dividens to shareholders	30	-	-	-	-	-	(47,727,692)	-	-	-	(47,727,692)	-	(47,727,692)	
Reduce Treasury shares	24	(9,042,700)	22,899,616	-	-	(22,899,616)	9,042,700	-	-	-	-	-	-	
Non-controlling interests		-	-	-	-	-	-	-	-	-	-	15,500,750	15,500,750	
Transferred to Retained earnings		-	-	-	-	-	23,771,311	(23,771,311)	-	(23,771,311)	-	-	-	
Total comprehensive income (expense) for the year		-	-	-	-	-	(367,793,858)	23,771,311	84,191,970	107,963,281	(259,830,577)	(40,706,788)	(300,537,365)	
Ending balance as at December 31, 2022		1,590,957,300	-	23,744	(6,869,861)	160,000,000	-	3,137,199,552	-	411,945,700	411,945,700	5,293,256,435	524,318,313	5,817,574,748

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

Separate										
Notes	Retained earnings						Other components of shareholder's equity			
	Issued and paid share capital	Treasury shares	Share premium on ordinary shares	Legal reserve	Treasury shares reserve	Unappropriated	Gains (Losses)		Total	
							on remeasurements of defined benefit plan	Available equity securities	other components of shareholder's equity	Total shareholders' equity
Balance as at January 1, 2021	1,600,000,000	(22,899,616)	23,744	160,000,000	22,899,616	3,860,481,728	-	321,740,018	321,740,018	5,942,245,490
Dividends to shareholders	30	-	-	-	-	(127,273,793)	-	-	-	(127,273,793)
Total comprehensive income (expense) for the year	-	-	-	-	-	247,024,398	-	6,013,712	6,013,712	253,038,110
Ending balance as at December 31, 2021	<u>1,600,000,000</u>	<u>(22,899,616)</u>	<u>23,744</u>	<u>160,000,000</u>	<u>22,899,616</u>	<u>3,980,232,333</u>	<u>-</u>	<u>327,753,730</u>	<u>327,753,730</u>	<u>6,068,009,807</u>
Balance as at January 1, 2022	1,600,000,000	(22,899,616)	23,744	160,000,000	22,899,616	3,980,232,333	-	327,753,730	327,753,730	6,068,009,807
Dividends to shareholders	30	-	-	-	-	(47,727,692)	-	-	-	(47,727,692)
Reduce Treasury shares	24	(9,042,700)	22,899,616	-	(22,899,616)	9,042,700	-	-	-	-
Transferred to Retained earnings	-	-	-	-	-	22,457,703	(22,457,703)	-	(22,457,703)	-
Total comprehensive income (expense) for the year	-	-	-	-	-	(273,388,348)	22,457,703	84,191,970	106,649,673	(166,738,675)
Ending balance as at December 31, 2022	<u>1,590,957,300</u>	<u>-</u>	<u>23,744</u>	<u>160,000,000</u>	<u>-</u>	<u>3,690,616,696</u>	<u>-</u>	<u>411,945,700</u>	<u>411,945,700</u>	<u>5,853,543,440</u>

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit for the year	(408,798,332)	63,916,277	(273,388,348)	247,024,398
Adjustments to reconcile profit to cash receipts (payments)				
(Reversal) of allowance for credit losses	(4,765,623)	681,053	(4,765,623)	681,053
Loss on write-off of bad debts	6,542,010	-	-	-
Depreciation and amortization	328,009,056	342,098,292	151,537,357	163,170,187
Interest income	(549,520)	(947,479)	(3,254,080)	(3,084,331)
Interest expense	71,912,706	75,545,412	6,629,414	9,052,070
Loss on write-off withholding tax paid	1,365,652	16,770,584	1,365,649	16,508,503
Gain on disposal of fixed assets	(4,970,894)	(19,237,912)	(4,970,894)	(19,237,912)
Loss on write-off of equipment	291,074	15,396,915	274,910	15,396,915
Unrealized gains from changes in fair value				
of investment in debt securities	(5,523,106)	(5,541,587)	(5,518,777)	(5,445,045)
(Gain) loss from modification of longterm loan agreements	(1,175,095)	276,930	-	-
Loss on write-off of investments in associated company	-	72,840	-	-
Estimated costs of rectification in the period				
of guarantee work (reversal)	52,500,000	13,654,341	52,500,000	13,654,342
Provision for litigation (reversal)	4,578,928	1,661,747	2,616,599	1,661,747
Provision for employee benefit	23,969,981	32,378,541	21,238,882	29,971,160
Tax expense	(661,163)	56,206,167	981,394	56,431,896
Loss on sale of business segment	22,873,951	-	22,873,951	-
	85,599,625	592,932,121	(31,879,566)	525,784,983
Changes in operating assets and liabilities				
Trade accounts receivables	(137,394,964)	381,069,636	(137,339,997)	383,304,265
Other current receivables	(49,973,591)	(7,118,586)	(31,412,225)	(12,219,785)
Contract assets	32,136,658	20,903,686	35,237,050	20,903,686
Inventories	14,118,201	(18,101,322)	14,681,309	(17,901,452)
Advance payments to subcontractors	(107,156,018)	44,070,803	(107,156,018)	44,070,803
Other non-current assets	(429,206)	804,971	488,839	1,207,430
Trade accounts payables	33,390,545	(148,225,420)	30,425,721	(150,354,029)
Contract liabilities	385,435,975	(165,048,556)	385,435,975	(165,048,556)

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Undue value added tax	14,084,979	(14,953,755)	14,084,979	(14,953,755)
Deposit received from customers	795,986	371,240	-	-
Retention payables from subcontractors	(10,617,156)	(58,944,001)	(10,617,156)	(58,944,001)
Other current payables	(25,572,768)	(321,260,168)	(52,130,003)	(320,427,172)
Other current liabilities	301,610	(2,484,787)	301,610	(2,484,787)
Payment of estimated costs of rectification in the period of guarantee work	(20,312,795)	(9,468,323)	(20,312,795)	(9,468,322)
Payment of provisions for employee benefits	(7,895,246)	(35,043,573)	(5,126,460)	(32,829,750)
Net cash generated from operation	206,511,835	259,503,966	84,681,263	190,639,558
Income tax paid	(154,412,478)	(154,578,258)	(149,541,362)	(150,979,110)
Receive a withholding tax refund	176,354,910	116,802,141	176,354,910	116,713,973
Net cash from operating activities	228,454,267	221,727,849	111,494,811	156,374,421
Cash flows from investing activities				
Interest received	702,643	1,403,772	3,291,442	3,662,388
Purchase of other current financial assests	(1,731,686,525)	(1,364,845,420)	(1,731,686,525)	(1,274,845,420)
Proceeds from other current financial assests	1,531,846,187	1,159,215,146	1,531,846,187	1,069,215,146
Purchase of investment in subsidiaries	-	-	(34,499,250)	(62,649,950)
Proceeds from short-term loans from related parties	-	-	(32,900,000)	(8,400,000)
Pledged deposit at bank Increase (Decrease)	728,749	5,663,498	728,750	5,663,500
Purchase of property, plant and equipment	(121,665,232)	(45,912,968)	(73,854,023)	(32,804,590)
Sale of right of use assets	200,000,000	-	200,000,000	-
Purchase of property investments	(2,189,129)	(1,420,957)	-	-
Purchase of intangible assets	(15,758,456)	(4,507,372)	(14,433,961)	(4,246,531)
Sale of equipment	5,167,585	19,803,036	5,167,585	19,803,036
Net cash from (used in) investing activities	(132,854,178)	(230,601,265)	(146,339,795)	(284,602,421)

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Cash flows from financing activities				
Interest paid	(58,546,986)	(60,395,596)	(6,629,414)	(9,052,070)
Dividend paid	(47,727,692)	(127,273,793)	(47,727,692)	(127,273,793)
Proceeds from Short-term loans from related parties and persons	600,000	600,000	-	-
Payment of long-term loans	(60,000,000)	(100,000,000)	-	-
Payment of lease liabilities	(40,914,318)	(44,871,867)	(40,637,837)	(44,031,592)
Proceeds from non-controlling interests	15,500,750	41,037,550	-	-
Net cash from (used in) financing activities	(191,088,246)	(290,903,706)	(94,994,943)	(180,357,455)
Net increase (decrease) in cash and cash equivalents	(95,488,157)	(299,777,122)	(129,839,927)	(308,585,455)
Cash and cash equivalents at 1 January	338,282,200	638,059,322	234,124,643	542,710,098
Cash and cash equivalents at 31 December	242,794,043	338,282,200	104,284,716	234,124,643
Supplemental cash flows information				
Non-cash transactions:				
Increase in right-of-use asset under lease	34,071,505	110,316,302	20,775,109	26,887,804
Lease liabilities from purchase of property, plant and equipment	-	4,192,000	-	4,192,000
Lease liabilities from purchase of intangible assets	-	431,280	-	431,280
Liabilities from work in process	10,308,963	-	-	-
Cash and cash equivalents				
Consist of:				
Petty cash	229,567	274,619	-	-
Cash on hand	448,502	494,678	-	28,887
Cheque on hand	86,760	-	86,760	-
Cash at banks – current accounts	38,634,156	28,361,850	2,343,656	23,023,813
Cash at banks – savings accounts	202,558,865	308,067,023	101,018,107	209,987,913
Highly liquid short-term	836,193	1,084,030	836,193	1,084,030
Total	242,794,043	338,282,200	104,284,716	234,124,643

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

1 General information

Syntec Construction Public Company Limited (“the Company”) is incorporated in Thailand and has its registered office at 555/7-11 Sukhumvit Soi 63 (Ekamai), Sukhumvit Road, Klongton Nua, Wattana, Bangkok and a branch office located at 61 Soi Langsuan, Lumpini, Pathumwan, Bangkok.

The Company was listed on the Stock Exchange of Thailand on February 12, 1993.

The Company’s major shareholders who hold more than 10% of total paid share capital as at December 31, 2022 were as follows:

	<i>(% of total paid share capital)</i>
Phahusutr Group	30.96

The principal activities of the Company are construction and real estate development for room service or service apartment.

Details of the Company’s subsidiaries were as follows:

Name of entity	Type of business	Country of incorporation	Ownership interest (%)	
			December 31, 2022	December 31, 2021
Direct subsidiaries				
1) SCR Asset Management Co., Ltd.	Service apartment or real estate development for rental	Thailand	68.00	68.00
2) Natural Ville Service Apartment and Management Co., Ltd.	Personnel management for hotel, service apartment and other properties	Thailand	99.97	99.97
3) CSM Capital Partners Co., Ltd.	Service apartment or real estate development for rental	Thailand	60.00	60.00
4) JT Ten Co., Ltd. *	Service apartment or real estate development for rental	Thailand	84.98	84.98
5) PT Three Land Co., Ltd. *	Service apartment or real estate development for rental	Thailand	79.98	79.98
6) AN 8 Co., Ltd. *	Service apartment or real estate development for rental	Thailand	79.90	79.90
7) SHG Management Co., Ltd	Hotel business management and services	Thailand	70.00	70.00

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENED DECEMBER 31, 2022

Name of entity	Type of business	Country of incorporation	Ownership interest (%)	
			December 31, 2022	December 31, 2021
8) Delta Infra One Co., Ltd.	Service in consulting, purchasing and installing of sanitary, electrical, pipeline and air conditioning systems.	Thailand	90.00	90.00

* Not commercial operations yet

2 Basis of preparation of financial statements

2.1 Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standard (TFRS); guidelines promulgated by the Federation of Accounting Professions (FAP), and related applicable rules and regulations of the Thai Securities and Exchange Commission.

2.2 Basis of consolidation

The consolidated financial statements relate to the Company, its subsidiaries (together referred to as the “Group”) and the Group’s interests in associate.

Subsidiaries

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

Non-controlling interests

At the acquisition of non-controlling interests date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions under “discount from changes in the ownership interests in subsidiary” (please see note 11 to the financial statements).

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

Loss of control

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

Associated companies

Interest in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealized income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains which arising from transactions with affiliates and jointly controlled entities are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to extent that there is no evidence of impairment.

2.3 New financial reporting

a) **Financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2022. 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.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

b) Financial reporting standards that will become effective for fiscal years beginning on or after January 1, 2023

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 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, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

2.4 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items.

<u>Items</u>	<u>Measurement bases</u>
Current investments	Fair value
Available-for-sale investments	Fair value
Defined benefit liability	Present value of non-current provisions for defined benefits as disclosed in note 21 to the financial statements

2.5 Functional and presentation currency

The financial statements are prepared and presented in Thai Baht, which is the Group's/Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest million unless otherwise stated.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

2.6 Use of estimates and judgments

The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

2.6.1 Judgments

Information about judgements made in applying accounting policies that have the most significant effects on the amount recognized in the financial statements is included in the following notes:

Note 12	Investment properties
---------	-----------------------

2.6.2 Assumptions and Estimation uncertainties

Information about assumptions of estimation uncertainties that have a significant risk of resulting in a material adjustment to the amount recognised in the financial statements is included in the following notes:

Note 10	Allowance for impairment of investments
Note 20	Current and deferred taxation and utilization of tax losses
Note 21	Assumptions relating to discount rate, salary increase rate, employee turnover rate, mortality rate and disability rate
Note 22	Estimation of construction project costs, provision for the estimating costs of rectification in the period of guarantee work
Note 31	Valuation of financial instruments
Note 33	Provisions for contingent liabilities from litigation

Significant accounting judgments and estimates are summarized as follows:

Allowance for impairment of investments in equity securities

The Group/Company treats available-for-sale investments in equity securities as impaired when the management judges that there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires management judgment.

Estimation of construction project costs

The Group /Company estimates costs of construction projects based on details of the construction work, taking into account the volume and value of construction materials to be used in the project, labor costs and other miscellaneous costs, to be incurred to completion of service, taking into account the direction of the movement

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

in these costs. Management applied judgement to review regularly the estimates or whenever the actual costs differ significantly from the figures used in the original estimates.

Estimating costs of rectification in the period of guarantee work

Management applies judgement in estimating the costs of rectification in the period of guarantee work which they expect to be realized on each construction project, based on estimates of anticipated costs that take into account the progress of the project and actual costs incurred, together with fluctuations in costs of construction materials, labor and the current situation.

Non-current provisions for employee benefit

The Group/ Company has obligations in respect of the severance to be paid to employees upon retirement under the labor law. The Company treats these severance payment obligations as the post-employment benefit plan.

The obligation under the post-employment benefits (defined benefit plan) is determined by a professionally qualified independent actuary, using the projected unit credit method. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and disability rates.

Litigation

The Company has contingent liabilities as a result of litigation. The management has used judgment to assess of the results of the litigation and believes that no loss will incur. Therefore, no contingent liabilities are recorded as at the end of reporting period.

2.7 Measurement of fair value

A number of the Group's /Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group/Company has an established framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

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

Significant valuation issues are reported to the Group /Company Audit Committee.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Measuring the fair value of an asset or a liability, the Group/Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Group/Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 4	Measurement of other non-current financial assets
Note 5	Measurement of other current financial assets
Note 31	Financial instruments

- 2.8** As at December 31, 2021, the Company has write-off an investments in an associates in the consolidated and separate financial statements because the said associates have completed the liquidation process and write off the investment in such associate to recognize the loss for the year ended December 31, 2021 amounted to Baht 0.07 million.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

3 Significant accounting policies

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

3.1 Foreign currencies

Foreign currency transactions

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

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

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

Foreign currency differences are generally recognized in profit or loss.

3.2 Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

3.3 Trade and other current receivables

Trade and other current receivables are stated at their invoice value less allowance for credit losses.

The Company applies the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

3.4 Inventories

Inventories representing construction materials, which comprise steel bars and construction supplies, are measured at the lower of cost or net realizable value. Spare parts and supplies are measured at average cost less impairment loss.

Cost is calculated using the weighted average cost principle and comprise all cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

3.5 Contract assets / Contract liabilities

Contract assets

A contract asset is the excess of cumulative revenue earned over the billings to date. Allowance for impairment loss is provided for the estimated losses that may be incurred in customer collection. Contract assets are transferred to receivables when the rights become unconditional (i.e. services are completed and delivered to the customer).

Contract liabilities

A contract liability is recognised when the billings to date exceed the cumulative revenue earned and the Group have an obligation to transfer services to a customer. Contract liabilities are recognised as revenue when the Group fulfil their performance obligations under the contracts.

3.6 Investment in subsidiaries

Investments in subsidiaries in the separate financial statements are accounted for using the cost method less allowance for devaluation of investments.

3.7 Financial assets and financial liabilities

Classification and measurement of financial assets

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group classifies its debt instruments in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

The equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss (FVPL), or ii) at fair value through other comprehensive income (FVOCI) without recycling to profit or loss.

At initial recognition, the Group measures a financial asset at its fair value plus or minus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** A financial asset will be measured at amortised cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, 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. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- **FVOCI:** A financial assets will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, 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. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Classification and measurement of financial liabilities and equity

Financial instruments issued by the Group must be classified as financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

At initial recognition, the Group measures financial liabilities at fair value. The Group reclassifies all financial liabilities as subsequently measured at amortised cost, except for derivatives.

Recognition and derecognition

The Group shall recognise a financial asset or a financial liability in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets.

Impairment

The Group assesses on a forward-looking basis the expected credit loss associated with financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group applies general approach for credit-impaired consideration.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

3.8 Investment properties

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

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

Cost includes expenditure that is directly attributable to the acquisition of the investment properties. The cost of self-constructed includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalized borrowing costs.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property.

The estimated useful lives are as follows:

Condominium	20 - 28	years
Condominium improvement	5 - 10	years
Furniture	3 - 5	years

No depreciation is provided on freehold land.

3.9 Property, plant and equipment

Recognition and measurement

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs.

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

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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

Subsequent costs

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

Depreciation

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

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

Office buildings and building components	5 - 32 years
Machinery and construction equipment	5 - 15 years
Steel and aluminium formwork	2 - 10 years
Furniture, fixtures and equipment	3 - 20 years
Vehicles	5 - 10 years

No depreciation is provided on freehold land or construction in progress.

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

3.10 Intangible assets

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

Amortization

Amortization is based on the cost of the asset, less its residual value.

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

Cash paid for a list of customers and existing business	3	Years
Software licenses	3 - 15	Years

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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

3.11 Impairment

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

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

Calculation of recoverable amount

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

Reversals of impairment

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

3.12 Lease

Lease - where the Group is the lessee

At inception of a contract, the Group assesses whether the 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 recognises a right-of-use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

Lease payments included in the measurement of the lease liability are as follows:

- fixed payments including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price, under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period; and
- payments of penalties for early termination of a lease if the Group is reasonably certain to terminate early.

To apply a cost model, the Group measures the ROU asset at cost, less accumulated depreciation and accumulated impairment loss and adjusted for any remeasurement of the lease liability. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. However, if the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the ROU asset reflects that the Group will exercise a purchase option, the Group depreciates the ROU asset from the commencement date to the end of the useful life of the underlying asset. The useful life of the ROU asset is determined on the same basis as those of property, plant and equipment.

The lease liability is re-measured when there is a change in future lease payments arising from the following items:

- a change in an index or a rate used to determine those payments
- a change in the Group's estimate of the amount expected to be payable under a residual value guarantee
- the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured to reflect changes to the lease payments, the Group recognises the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

Short-term leases and leases of low-value assets

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.13 Interest - bearing liability

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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENED DECEMBER 31, 2022

3.14 Trade and other current payables

Trade and other current payables are stated at cost.

3.15 Employee benefits

a) Short-term employee benefits

Short-term employee benefit obligations, which include salaries, wages, bonuses, and contributions to the social security fund, are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group's/Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Post-employment benefits

The Group's/Company records post-employment benefits through a defined contribution plan (under the Provident Fund Act B.E. 2530 (1987)) and a defined benefit plan (obligations for retired employees under the Thai Labor Protection Act B.E. 2541 (1998)).

- Defined contribution plans

A defined contribution plan contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity (Provided Fund) and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

- Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's/Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. Such benefits are discounted to determine its present value using the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's/Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed by an independent actuary using the Projected Unit Credit Method.

The Group's/Company recognized immediately all actuarial gains or losses arising from defined benefit plans in other comprehensive income.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

c) Other long-term employee benefits

The Group's/Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods that benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

d) Termination benefits

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

3.16 Provision

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

Other provisions are as follows:

- Estimated costs of rectification in the period of guarantee work

Estimated costs of rectification in the period of guarantee work are recognized within the period of time under each the project contract, basing on the progress of the project and actual costs incurred to date, together with fluctuations in costs of construction materials, labor and the current situation and historical experience of the project manager on such construction project.

- Estimate of delay penalties

An estimate of delay penalties is considered an effect of contractual changes on the price of the transaction and measuring the progress of completion of the completed workload to be recognized as an increase or decrease of income as at the contract change date.

An estimate of delay will be based on construction results and other factors that may be related to the probability of such damage.

- Estimate of expected losses on construction projects

An estimate of expected losses on construction projects of each project is based on the progress of the project and actual costs incurred to date, together with fluctuations in costs of construction materials, labor and the current situation and historical experience of the project manager on such construction project.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

3.17 Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Repurchase of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury shares and recognised as a deduction from equity. An equal amount is appropriated from retained earnings and taken to a reserve for treasury shares within equity. When treasury shares are sold, the amount received is recognised as an increase in equity by crediting the cost of the treasury shares sold, calculated using the weighted average method, to the treasury shares account and transferring the equivalent amount back from reserve for treasury shares to retained earnings. Surpluses on the sale of treasury shares are taken directly to a separate category within equity, "Surplus on treasury shares". Net deficits on sale or cancellation of treasury shares are debited to retained earnings after setting off against any remaining balance of surplus on treasury shares.

3.18 Revenues

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Contract revenues

The Group has determined that its 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 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

Sales of construction materials and materials be over demand are recognized when the company has complied with the obligation in the contract and transferred the control of the product to the customer.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

Rendering of service

Rendering of service are room service revenue, revenue from food and beverages, and other service incomes are recognised when guests check in or services are provided.

Interest and dividend income

Interest income is recognised in profit or loss as it accrues. Dividend income is recognised in profit or loss on the date the Group's/Company's right to receive payments is established.

Gain from compromise is recognized when the installable payment is made to creditor pursuant to the compromise agreement prepared in front of the Court.

Other income is recognized on an accrual basis. The compensation for damage from the lawsuit or dispute is recognized when has the result and receive the payment.

3.19 Expenses

Expenses are recognized on the accrual basis.

3.20 Financial costs

Financial costs comprise interest expenses on borrowings and unwinding of discount on provisions and contingent consideration.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.21 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures entities to the extent that it is probable that they will not reverse in the foreseeable future.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

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

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

In determining the amount of current and deferred tax, the Group / Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group / Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group / Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

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

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.22 Earnings per share

Basic earnings per share is calculated by dividing the profit or loss for the year attributable to ordinary shareholders by the number of ordinary shares outstanding during the year, adjusted for own share held.

3.23 Segment reporting

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

3.24 Dividends

Dividend payment and interim dividend are recorded in the accounting period in which the General Meeting of Shareholders of the Company and the Board of Directors Meeting of the Company have approved the dividend payment.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

4 Related parties

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

Relationships with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Subsidiaries		
1. SCR Asset Management Co., Ltd.	Thailand	Subsidiary, 68% shareholding, and some common directors
2. Natural Ville Service Apartment and Management Co., Ltd.	Thailand	Subsidiary, 99.97% shareholding and some common directors
3. CSM Capital Partners Co., Ltd.	Thailand	Subsidiary, 60% shareholding and some common directors
4. JT Ten Co., Ltd.	Thailand	Subsidiary, 84.98% shareholding and some common directors
5. PT Three Land Co., Ltd.	Thailand	Subsidiary, 79.98% shareholding and some common directors
6. AN 8 Co., Ltd.	Thailand	Subsidiary, 79.90% shareholding and some common directors
7. SHG Management Co., Ltd.	Thailand	Subsidiary, 70% shareholding and some common directors
8. Delta Infra One Co., Ltd.	Thailand	Subsidiary, 90% shareholding and some common directors
Associate		
1. Natural Hotel Sukhumvit Co., Ltd	Thailand	Associate, 25% Shareholding and completed the liquidation process

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

Name of entities	Country of incorporation/ nationality	Nature of relationships
Related companies		
1. Bangkok Expressway and Metro Public Company Limited	Thailand	Related company, 0.49% shareholding
2. Mivan (Thailand) Co., Ltd.	Thailand	Related company as a venture in Syntec-Mivan Joint Venture
3. Siam Syntec Planner Co., Ltd.	Thailand	Related company, some common directors
4. Tate Enterprise Co., Ltd.	Thailand	Related company, some common shareholder
5. N&J Assets Management Co., Ltd.	Thailand	Related company, some common directors
6. Narai Phand Co., Ltd.	Thailand	Related company, directors related to the director of the Company
7. N & J Hospitality Co., Ltd.	Thailand	Related company, directors related to the director of the Company
8. Pink Cafe Co., Ltd.	Thailand	Related company, directors related to the director of the Company
9. Safe Series Co., Ltd.	Thailand	Related company, shareholder as a key management personnel of the Company
10. Mankongsangtong Holding Co., Ltd.	Thailand	Related company, common shareholders
11. Thonglor Management Co., Ltd.	Thailand	Related company, shareholder related to the Company's directors
12. Wealthy Living Co.,Ltd.	Thailand	Related company, shareholder related to the Company's directors
13. Chuaphaibul Steel Co., Ltd.	Thailand	Related company, directors related to the director or shareholder of the Company
14. Thai Roong Ruang Industry Co., Ltd.	Thailand	Related company, shareholder and director related to the shareholders and directors of the Company
15. TRR Property Co., Ltd.	Thailand	Related company, shareholder and director as the shareholder and director of the subsidiary
16. CSNJ Patong 3 Co., Ltd.	Thailand	Related company, shareholder related to the Company's directors

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

Name of entities	Country of incorporation/ nationality	Nature of relationships
Related companies		
17. The Gas Carrier Co., Ltd.	Thailand	Related company, directors related to the Company's directors
18. Thai Ruam Toon Warehouse Co., Ltd.	Thailand	Related company, shareholder and director as the shareholder and director of the subsidiary
Related persons		
1. Six related persons	Thailand	Related persons, as the Company's and the subsidiaries' directors, shareholders, key management personnel or related to the key management personnel.
2. Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly including any director of the Group/Company (whether executive or otherwise).

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

The pricing policies for particular types of transactions are explained further below:

Pricing policies

Interest income	MLR - 2.48 to MLR - 2.75 per annum
Contract revenues	Cost price plus profit margin not less than 12%
Rendering of service	Service income to be refunded under the contract on the basis determined by related concern
Contract costs	Market price
Purchase of steel	Market price
Cost of service (management fee for service apartment and others)	Contract price on the basis determined by the related concerned
Service expenses	Contract price on the basis determined by the related concerned
Land rental	Contract price on the basis determined by the related concerned
Interest expenses	MLR - 2.48 to MLR - 2.75 per annum
Directors benefit expenses represented meeting allowance and director bonus	Approval from the Company's directors and shareholders
Directors and management benefit expenses represented salary and bonus	Approval from the Company's directors and shareholders

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

Significant transactions for the year ended December 31 with related parties were summarized as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Revenue				
Subsidiaries				
Rendering of service and others	-	-	4,770,000	4,084,675
Interest income	-	-	2,888,745	2,313,210
Related companies				
Contract revenues	5,535,528	240,071,390	5,535,528	240,071,390
Rental and service expenses	2,422,172	1,549,284	330,000	360,000
Expenses				
Subsidiaries				
Cost of service	-	-	14,425,706	9,851,490
Administrative expenses	-	-	4,943,665	5,612,462
Related companies				
Contract costs	79,693,661	136,758,739	79,693,661	136,758,739
Cost of service	18,403,870	17,333,866	-	-
Space rental and services	2,777,106	194,400	2,777,106	194,400
Interest expenses	16,375	-	-	-
Other service expenses	1,194,644	1,451,974	1,194,644	1,451,974
Purchase of steel	94,336,105	62,958,087	94,336,105	62,958,087
Related person				
Administrative expenses	1,380,000	400,000	-	-
Interest expenses	16,494	-	-	-

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	41,842,338	44,653,942	37,390,817	39,825,256
Post-employment benefits	9,459,162	1,867,818	9,459,162	1,867,818
Total key management personnel compensation	<u>51,301,500</u>	<u>46,521,760</u>	<u>46,849,979</u>	<u>41,693,074</u>

Key management compensation for the years ended December 31, 2022 and 2021 separately shown as follows

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Construction cost	15,377,753	10,589,500	15,377,753	10,589,500
Cost of service	1,886,710	2,621,987	-	-
Cost of distribution	3,747,901	3,259,800	3,747,901	3,259,800
Administrative expenses	30,289,136	30,050,473	27,724,325	27,843,774
	<u>51,301,500</u>	<u>46,521,760</u>	<u>46,849,979</u>	<u>41,693,074</u>

Balance as at December 31 with related parties were as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
<u>Assets</u>				
<u>Trade accounts receivables - related parties</u>				
Related companies	<u>52,871,855</u>	<u>68,148,824</u>	<u>52,540,526</u>	<u>68,148,824</u>
<u>Retention receivables under construction contracts - related parties</u>				
Subsidiaries	-	-	-	3,100,391
Related companies	<u>39,647,478</u>	<u>41,954,280</u>	<u>39,647,478</u>	<u>41,954,280</u>
Total	<u>39,647,478</u>	<u>41,954,280</u>	<u>39,647,478</u>	<u>45,054,671</u>

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
<u>Other current receivables and advances</u>				
Subsidiaries	-	-	693,963	17,004,553
Related companies	-	30,000	-	30,000
Related persons	624,999	838,871	584,999	798,871
Total	624,999	868,871	1,278,962	17,833,424
<u>Less</u> allowance for credit losses	-	-	-	-
Net	624,999	868,871	1,278,962	17,833,424
<u>Unbilled construction in progress - related parties</u>				
Related companies	4,125,463	3,277,894	4,125,463	3,277,894
<u>Short-term loans to related parties</u>				
Subsidiaries	-	-	117,300,000	84,400,000

	(Unit : Baht)			
	Consolidated and Separate			
	2022		2021	
	Cost	Fair value	Cost	Fair value
<u>Other non-current financial assets</u>				
<u>Equity securities measured at fair value through other comprehensive income</u>				
Related companies				
Cost	221,747,612	736,679,740	221,747,612	631,439,777
Profit (loss) from fair value adjustment	514,932,128	-	409,692,165	-
Fair value	736,679,740	736,679,740	631,439,777	631,439,777

The Company classifies investments in equity securities that are not held for trading that do not qualify for measurement at fair value through profit and loss as fair value type through other comprehensive income.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

The Company recognized dividends from equity securities in the income statement for the year ended December 31, 2022, and 2021 as follows

	(Unit : Baht)	
	Consolidated and Separate	
	2022	2021
Dividends	6,013,712	7,517,140

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
<u>Liabilities</u>				
<u>Trade accounts payable - related parties</u>				
Related companies	18,298,360	6,205,303	18,298,360	6,205,303
<u>Other current payables - related parties</u>				
Subsidiaries	-	-	-	15,510,427
Related companies	1,379,144	1,669,730	14,955	916,101
Total	1,379,144	1,669,730	14,955	16,426,528

Short-term loans from related parties and persons

Related companies	600,000	300,000	-	-
Related persons	600,000	300,000	-	-
Total	1,200,000	600,000	-	-

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
<u>Advance received from customers under construction contracts - related parties</u>				
Related companies	-	1,793,638	-	1,793,638
<u>Retention payables from subcontractors - related parties</u>				
Related companies	3,473,374	2,844,394	3,473,374	2,844,394
<u>Lease liabilities - related parties</u>				
Related companies	253,755,203	232,639,670	-	-

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Movements of short - term loans to related parties for the year ended December 31, 2022 were as follows:

		(Unit : Thousand Baht)			
		Separate			
		Balance as at			Balance as at
		January, 1	During the period		December, 31
	Relationship	2022	Increase	Decrease	2022
<u>Loan to related parties</u>					
SCR Asset Management Co., Ltd.	Subsidiary	83,000	2,000	-	85,000
SHG Management Co., Ltd.	Subsidiary	1,400	1,400	-	2,800
Delta Infra One Co., Ltd.	Subsidiary	-	34,500	(5,000)	29,500
		84,400	37,900	(5,000)	117,300

As at December 31, 2022 and December 31, 2021, the Company had short-term loans to a subsidiary (“SCR Asset Management Co., Ltd.”) of Baht 85 million and Baht 83 million represented short-term loans under 18 loan agreements, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at MLR-2.48% to MLR -2.75% per annum.

As at December 31, 2022 and December 31, 2021, the Company had short-term loans to a subsidiary (“SHG Management Co., Ltd.”) of Baht 2.80 million and Baht 1.40 million represented short-term loans under 2 loan agreement, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at MLR-2.50% per annum.

As at December 31, 2022, the Company had short-term loans to a subsidiary (“Delta Infra One Co, Ltd.”) of Baht 29.50 million represented short-term loans under 6 loan agreement, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at MLR-2.50% per annum.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Movements of short - term loans from related parties and persons for the year ended December 31, 2022 were as follows:

		(Unit : Baht)			
		Consolidated			
	Relationship	Balance as at	During the period		Balance as at
		January, 1			December, 31
		2022	Increase	Decrease	2022
<u>Short - term loans from related parties and parties</u>					
	Shareholders				
Tate Enterprise Co., Ltd.	of subsidiary	200	200	-	400
	Shareholders				
Thonglor Management Co., Ltd.	of subsidiary	100	100	-	200
	Shareholders				
Related persons	of subsidiary	300	300	-	600
		600	600	-	1,200

As at December 31, 2022 and December 31, 2021, the subsidiary had short-term loans from Shareholders of the subsidiary of Baht 1.20 million and Baht 0.60 million represented short-term loans under 6 loan agreements, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at MLR-2.50% per annum.

The commitments with related parties

The Ordinary General Meeting of Shareholders of the Company held on April 29, 2022, resolved the approval of Directors' remunerations for the year 2022 which were represented the meeting allowance of Baht 18,000 per time per person, and the annual audit committee directors' remunerations of Baht 300,000 per annum per person.

The Ordinary General Meeting of Shareholders of the Company held on April 30, 2021, resolved the approval of Directors' remunerations for the year 2021 which were represented the meeting allowance of Baht 18,000 per time per person, and the annual audit committee directors' remunerations of Baht 310,000 per annum per person.

5 Other current financial assets

(Unit : Baht)				
Consolidated				
2022		2021		
Cost	Fair value	Cost	Fair value	
Other current financial assets				
Premium savings	22,715,475	22,715,475	22,661,658	22,661,658
Fixed Deposit	-	-	90,892,027	90,892,027
Mutual fund – debt securities	1,904,357,015	1,909,880,121	1,608,229,976	1,613,678,466
Total	1,927,072,490	1,932,595,596	1,721,783,661	1,727,232,151

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	(Unit : Baht)			
	Separate			
	2022		2021	
	Cost	Fair value	Cost	Fair value
Other current financial assets				
Premium savings	22,715,475	22,715,475	22,661,658	22,661,658
Fixed Deposit	-	-	90,892,027	90,892,027
Mutual fund – debt securities	1,903,397,404	1,908,916,181	1,607,273,811	1,612,718,856
Total	1,926,112,879	1,931,631,656	1,720,872,496	1,762,272,541

Financial assets mandatorily measured at FVPL include the following:

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Mutual fund – debt securities	1,909,880,121	1,613,678,466	1,908,916,181	1,612,718,856

As at December 31, 2022 and December 31, 2021, investments in mutual fund – debt securities of the Company amounted to Baht 141 million respectively, had been used as collateral for liabilities under letter of guarantee with two domestic commercial banks.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

6 Trade accounts receivables

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Related companies	52,871,855	68,148,824	52,540,526	68,148,824
Other parties	775,510,060	627,285,049	770,162,134	617,213,838
Total	828,381,915	695,433,873	822,702,660	685,362,662
<u>Less</u> allowance for receivable credit losses	(143,192,083)	(157,656,446)	(143,192,083)	(154,751,533)
Net	685,189,832	537,777,427	679,510,577	530,611,129

Aging analyses for trade accounts receivables were as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Within credit terms	569,293,545	282,811,027	566,661,680	281,504,102
Still litigation	193,138,115	159,515,229	193,138,115	154,751,533
Overdue:				
- Less than 3 months	32,563,405	171,731,918	30,476,507	168,797,056
- Over 3 months to 6 months	8,377,781	11,583,517	7,584,800	11,068,460
- Over 6 months to 12 months	110,895	29,495,919	-	28,986,996
- Over 12 months	24,898,174	40,296,263	24,841,558	40,254,515
Total overdue	65,950,255	253,107,617	62,902,865	249,107,027
Total	828,381,915	695,433,873	822,702,660	685,362,662

The normal credit term granted by the Group/Company ranges from 15 days to 45 days.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENED DECEMBER 31, 2022

The loss allowance for trade receivables can be reconciled as follows:

	(Unit : Baht)	
	Consolidated	Separate
For the year ended December 31, 2022		
As at January 1, 2022	(157,656,444)	(154,751,533)
Increase in loss allowance recognised in profit or loss	(52,540,526)	(52,540,526)
Reversal allowance for credit losses	64,099,976	64,099,976
Receivables written off during the year as uncollectible	2,904,911	-
As at December 31, 2022	(143,192,083)	(143,192,083)

As of December 31, 2022, the Company recorded an allowance for loss of trade accounts receivable of 143.19 million baht, Retention receivables under construction contracts of 13.89 million baht, and Unbilled construction value of 4.97 million baht arising from lawsuits. Receiving of debts of 4 trade accounts receivable, and 1 debtor in the process of suing. The company has considered setting up the allowance for loss in full, except for the following 3 trade accounts receivable that have considered a reversal. Allowance for loss of trade accounts receivable in the amount of 64.10 million baht, Retention receivables in the amount of 6.47 million baht, and Unbilled construction that has not been collected from customers in the amount of 11.43 million baht, including allowance for losses transferred during the year in the amount of 82 million baht. the Company has considered as follows.

The first trade receivable. The value of trade accounts receivable in the amount of 50.70 million baht, Retention receivable in the amount of 3.65 million baht, and Unbilled construction in progress in the amount of 9.57 million baht. Securities seized from the debtor.

Second trade receivable There is a value of trade receivables in the amount of 13.67 million baht, Retention receivables in the amount of 23.49 million baht, and Unbilled construction in progress in the amount of 5.40 million baht. During the year, the company has considered a total reversal of 10.81 million baht by considering. The collateral value that the debtor has placed as collateral for the court. In this regard, the Company has recorded an allowance for the loss of such debtor as of December 31, 2022, in the amount of 6.39 million baht.

Third trade receivable There were trade accounts receivable in the amount of 33.18 million baht, Retention receivables in the amount of 28.19 million baht, and Unbilled construction in progress in the amount of 6.92 million baht. During the year, the company has considered a total reversal of 6.10 million baht by considering the judgment of the Court of Appeal ordering payment in the amount of 36.89 million baht and considering the debtor's ability to repay debt from the financial statements. In this regard, the company has recorded an allowance for the loss of such debtor as of December 31, 2022, in the amount of 31.41 million baht.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

7 Other current receivables

	(Unit :Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Other receivables	73,303,191	40,177,953	73,116,229	55,868,135
Accrued income	11,226,699	10,557,756	5,000,000	829,248
Prepaid expenses	25,065,286	14,571,656	22,144,245	11,316,170
Input tax not due	5,123,342	3,363,722	3,805,913	2,728,237
Advances	6,216,958	4,678,733	3,358,680	4,541,917
Prepaid value added tax	9,071,958	6,837,146	-	766,496
Total	130,007,434	80,186,966	107,425,067	76,050,203
<u>Less</u> allowance for credit losses	(16,915,188)	(7,771,679)	(16,915,188)	(7,771,679)
Net	113,092,246	72,415,287	90,509,879	68,278,524
Related parties	25,200	30,000	703,663	17,034,553
Key management personnel	653,223	838,871	613,223	798,871
Other parties	129,329,011	79,318,095	106,103,181	58,216,779
Total	130,007,434	80,186,966	107,425,067	76,050,203
<u>Less</u> allowance for credit losses	(16,915,188)	(7,771,679)	(16,915,188)	(7,771,679)
Net	113,092,246	72,415,287	90,509,879	68,278,524

The loss allowance for trade receivables can be reconciled as follows:

	(Unit : Baht)
	Consolidated and Separate
For the year ended December 31, 2022	
As at January 1, 2022	(7,771,679)
Increase in loss allowance recognised in profit or loss	(9,143,509)
As at December 31, 2022	(16,915,188)

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

8 Contract assets

8.1 Contract balance

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Contract assets				
Retentions receivables under				
construction contract	684,325,724	757,169,470	684,325,724	760,269,861
Unbilled construction in progress	745,068,724	702,011,953	745,068,724	702,011,953
Total	1,429,394,448	1,459,181,423	1,429,394,448	1,462,281,814
Current	1,252,800,174	1,335,761,271	1,252,800,174	1,335,761,271
Non-current	176,594,274	123,420,152	176,594,274	126,520,543
Total contract assets	1,429,394,448	1,459,181,423	1,429,394,448	1,462,281,814

8.2 Retentions receivables under construction contracts

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Retentions receivables under				
construction contract	698,212,444	769,413,366	698,212,444	772,513,757
<u>Less</u> allowance for credit losses	(13,886,720)	(12,243,896)	(13,886,720)	(12,243,896)
Net	684,325,724	757,169,470	684,325,724	760,269,861
Current	507,731,450	633,749,318	507,731,450	633,749,318
Non-current	176,594,274	123,420,152	176,594,274	126,520,543
Total	684,325,724	757,169,470	684,325,724	760,269,861

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

The loss allowance for Retentions receivables under construction contract can be reconciled as follows:

	(Unit : Baht)
	Consolidated and Separate
For the year ended December 31, 2022	
As at January 1, 2022	(12,243,896)
Increase in loss allowance recognised in profit or loss	(13,076,060)
Reversal allowance for credit losses	11,433,236
As at December 31, 2022	(13,886,720)

8.3 Unbilled construction in progress

	(Unit : Baht)	
	Consolidated and Separate	
	December 31, 2022	December 31, 2021
Unbilled construction in progress	750,038,143	710,973,878
<u>Less</u> allowance for credit losses	(4,969,419)	(8,961,925)
Net	745,068,724	702,011,953

The loss allowance for Unbilled construction in progress can be reconciled as follows:

	(Unit : Baht)
	Consolidated and Separate
For the year ended December 31, 2022	
As at January 1, 2022	(8,961,925)
Increase in loss allowance recognised in profit or loss	(2,475,829)
Reversal allowance for credit losses	6,468,335
As at December 31, 2022	(4,969,419)

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

	(Unit : Million Baht)	
	Consolidated and Separate	
	December 31, 2022	December 31, 2021
Construction project contracts amount	48,314	53,916
Contract revenue recognized as revenue since commencing date to present	41,499	50,200
<u>Less</u> progress billings (as invoices)	(40,845)	(49,585)
Unbilled construction in progress	654	615
Unbilled construction in progress (Still litigation)	96	96
Unbilled construction in progress at the end of period	750	711
<u>Less</u> allowance for credit losses	(5)	(9)
Net	745	702
Excess of progress billing over work in progress (Contract liabilities)	(602)	(217)
Net	143	485

As at December 31, 2022, the Company has a balance of unbilled construction in progress amount to Baht 654 million which is expected to be paid within 1 year.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

9 Inventories

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Construction materials	96,404,108	110,878,556	96,404,108	110,878,556
Spare parts and supplies	10,931,522	10,846,719	9,366,920	9,845,226
Total	107,335,630	121,725,275	105,771,028	120,723,782
The cost of inventories is recorded as				
expenses and included in the				
construction cost accounting				
(Million Baht).				
	1,822	1,104	1,822	1,104

10 Investments in subsidiaries

	(Unit : Baht)			
Company's name	Paid-up Share Capital		Cost	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	Million Baht	Million Baht		
SCR Asset Management Co., Ltd.	600	600	408,064,000	408,064,000
Natural Ville Service Apartment and Management Co., Ltd.	2	2	1,999,700	1,999,700
CSM Capital Partners Co., Ltd.	1,360	1,325	816,000,000	795,000,000
PT Three Land Co., Ltd.	120	120	95,976,000	95,976,000
JT Ten Co., Ltd.	140	140	118,972,000	118,972,000
AN 8 Co., Ltd.	130	130	103,870,000	103,870,000
SHG Management Co., Ltd.	9	9	6,300,000	6,300,000
Delta Infra One Co., Ltd.	17	2	15,299,150	1,799,900
Total			1,566,480,850	1,531,981,600

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Reconciliation of investments in subsidiaries

	(Unit : Baht)	
	Separate	
	December 31, 2022	December 31, 2021
Beginning balance	1,531,981,600	1,469,331,650
Increase	34,499,250	62,649,950
Ending balance	1,566,480,850	1,531,981,600

The Extraordinary General meeting of the subsidiary company ("Delta Infra One Co, Ltd."), held on July 15, 2022, approved to increase the company's authorized share capital from Baht 4 million to Baht 17 million in order to use as working capital of the subsidiary. The subsidiary company registered the capital increase with the Ministry of Commerce on August 2, 2022.

The Extraordinary General meeting of the subsidiary company ("CSM Capital Partners Co., Ltd"), held on April 4, 2022, approved to increase the company's authorized share capital from Baht 1,325 million to Baht 1,360 million in order to use as working capital of the subsidiary. The subsidiary company registered the capital increase with the Ministry of Commerce on April 22, 2022.

The Extraordinary General Meeting of the subsidiary company ("CMS Capital Partners Co., Ltd"), held on March 12, 2021, approved to increase the company's authorized share capital from Baht 1,225 million to Baht 1,325 million in order to use as working capital of the subsidiary. The subsidiary company registered the capital increase with the Ministry of Commerce on March 25, 2021.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

11 Non- controlling interests

The following table summarizes the information about each subsidiary of the group of companies with significant non-controlling interests.

(Unit : Million Baht)

	Natural Ville																Total	
	SCR Asset		Service apartment		CSM Capital		PT Three Land		JT Ten Co., Ltd.		AN 8 Co., Ltd.		SHG Management		Delta Infra One			
	Management Co.,		and Management		Partners Co., Ltd.		Co., Ltd.		Co., Ltd.		Co., Ltd.		Co., Ltd.		Co., Ltd.			
	Ltd.		Co., Ltd.		Co., Ltd.		Co., Ltd.		Co., Ltd.		Co., Ltd.		Co., Ltd.		Co., Ltd.		Co., Ltd.	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Percentage of non-controlling interests	32.00	32.00	0.03	0.03	40.00	40.00	20.02	20.02	15.02	15.02	20.10	20.10	30.00	30.00	10.01	10.01		
Current assets	47	41	2	21	87	56	3	3	15	21	127	124	2	2	6	1		
Non-current assets	865	915	1	-	2,022	2,115	309	306	316	321	-	5	2	2	49	-		
Current liabilities	(209)	(157)	-	(17)	(219)	(274)	-	-	(1)	-	-	-	(5)	(3)	(42)	-		
Non-current liabilities	(396)	(442)	-	(2)	(953)	(953)	(254)	(233)	(232)	(230)	(3)	-	(2)	(2)	-	-		
Net assets	307	357	3	2	937	944	58	76	98	112	124	129	(3)	(1)	13	1		
Carrying amounts of non-controlling interests	98	114	-	-	374	377	12	15	15	17	25	26	(1)	-	1	-	524	549

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

(Unit : Million Baht)

	SCR Asset		Natural Ville Service apartment		CSM Capital		PT Three Land		JT Ten Co., Ltd.		AN 8 Co., Ltd.		SHG Management		Delta Infra One		Total	
	Management Co., Ltd.		and Management Co., Ltd.		Partners Co., Ltd.		Co., Ltd.		Co., Ltd.		Co., Ltd.		Co., Ltd.		Co., Ltd.		Co., Ltd.	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Income	95	81	15	11	260	170	-	-	-	-	4	3	9	7	-	-		
Profit (Loss)	(50)	(58)	-	-	(44)	(90)	(18)	(18)	(14)	(12)	(5)	2	(2)	(5)	(2)	(1)		
Other comprehensive income	-	-	1	-	1	-	-	-	-	-	-	-	-	-	-	-		
Total comprehensive income	(50)	(58)	1	-	(43)	(90)	(18)	(18)	(14)	(12)	(5)	2	(2)	(5)	(2)	(1)		
Profit (loss) allocated for Non-controlling interests	(16)	(19)	-	-	(17)	(36)	(4)	(4)	(2)	(1)	(1)	-	(1)	(1)	-	-	(41)	(61)
Cash flows from operating activities	23	14	(3)	1	105	56	-	-	-	-	(2)	(1)	(1)	(4)	(5)	(1)		
Cash flows from investing activities	(1)	(1)	-	-	(9)	(4)	-	(2)	(3)	(8)	4	(5)	-	-	(39)	-		
Cash flows from financing activities	(18)	(2)	-	-	(60)	(39)	-	-	(2)	(1)	-	-	2	4	44	1		
Cash and equivalent Net increase (decrease) in cash	4	11	(3)	1	36	13	-	(2)	(5)	(9)	2	(6)	1	-	-	-		

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

12 Investment properties

	(Unit : Baht)			
	Consolidated			
	Land	Condominium	Furniture	Total
Cost				
As at January 1, 2022	306,571,138	325,353,767	3,717,590	635,642,495
Additions	-	2,036,216	152,913	2,189,129
As at December 31, 2022	306,571,138	327,389,983	3,870,503	637,831,624
Accumulated depreciation				
At January 1, 2022	-	124,087,744	2,757,112	126,844,856
Depreciation charge for the year	-	22,637,743	403,109	23,040,852
At December 31, 2022	-	146,725,487	3,160,221	149,885,708
Net book value				
At December 31, 2021	306,571,138	201,266,023	960,478	508,797,639
At December 31, 2022	306,571,138	180,664,496	710,282	487,945,916
Fair value measurement				
Appraised price	437,258,703	263,453,684	1,013,067	
Evaluation criteria	Market Approach	Market Approach, Cost Approach	Market Approach	

Depreciation was included in:	(Unit: Baht)	
	Consolidated	
	2022	2021
Room service costs	22,589,741	22,469,374
Administrative expenses	451,111	313,435
Total	23,040,852	22,782,809

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	(Unit : Baht)	
	Separate	
	Condominium	Total
Cost		
At January 1, 2022	12,534,196	12,534,196
At December 31, 2022	12,534,196	12,534,196
Accumulated depreciation		
At January 1, 2022	5,409,188	5,409,188
Depreciation charge for the year	451,111	451,111
At December 31, 2022	5,860,299	5,860,299
Net book value		
At December 31, 2021	7,125,008	7,125,008
At December 31, 2022	6,673,897	6,673,897
Fair value measurement		
Appraised price	15,293,000	
Evaluation criteria	Market Approach and Cost Approach	

	(Unit: Baht)	
	Separate	
	2022	2021
Depreciation for the year is included in administrative expenses	451,111	313,436

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

Measurement of fair value

Investment property as of December 31, 2022, appraised by independent valuers According to the report dated January 4,2023 the fair value measurement of investment properties is organized in the hierarchy of fair value measurements at level 2 and level 3.

Investment property as of December 31, 2022, of the subsidiary appraised by independent valuers According to the report dated January 31,2023, the fair value measurement of investment properties is organized in the hierarchy of fair value measurements at level 3.

Pledge

As of December 31, 2022, the subsidiary company used the investment property, which is a condominium in Eight Thonglor Project, with a book value of Baht 472 million, as collateral for loans from a domestic commercial bank amount of Baht 1,000 million and please also see note 19 to the financial statements

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

13 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the year ended December 31, 2022 were as follows:

	(Unit : Baht)							
	Consolidated							
	Land	Buildings and building components	Construction machinery and equipment	Aluminium lining Boards (formwork)	Furniture, fixtures and equipment	Vehicles	Construction in progress	Total
Cost								
At January 1, 2022	1,295,186,410	2,150,848,942	1,104,501,247	101,575,472	324,606,287	144,531,931	57,256,913	5,178,507,202
Additions	-	1,585,605	20,180,302	12,936,023	67,853,613	-	29,418,652	131,974,195
Transfers in (out)	-	15,585,133	2,786,463	-	-	-	(18,371,596)	-
Transfer business segment	-	-	-	-	(65,644,815)	-	-	(65,644,815)
Disposals/write-off	-	-	(10,684,985)	(3,773,546)	(14,111,086)	(8,416,880)	-	(36,986,497)
At December 31, 2022	1,295,186,410	2,168,019,680	1,116,783,027	110,737,949	312,703,999	136,115,051	68,303,969	5,207,850,085
Accumulated depreciation								
At January 1, 2022	-	826,918,051	827,347,500	70,245,533	259,649,326	122,628,320	-	2,106,788,730
Depreciation charge for the year	-	143,599,489	40,079,491	9,290,562	23,261,446	7,218,012	-	223,449,000
Transfer business segment	-	-	-	-	(42,539,786)	-	-	(42,539,786)
Disposals/write-off	-	-	(10,367,848)	(3,773,542)	(13,950,577)	(8,416,967)	-	(36,508,934)
At December 31, 2022	-	970,517,540	857,059,143	75,762,553	226,420,409	121,429,365	-	2,251,189,010

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

	(Unit : Baht)							
	Consolidated							
	Land	Buildings and building components	Construction machinery and equipment	Aluminium lining Boards (formwork)	Furniture, fixtures and equipment	Vehicles	Construction in progress	Total
Net book value								
Owned assets	1,295,186,410	1,323,930,891	277,153,747	31,329,939	64,956,961	21,903,611	57,256,913	3,071,718,472
Total at December 31, 2021	1,295,186,410	1,323,930,891	277,153,747	31,329,939	64,956,961	21,903,611	57,256,913	3,071,718,472
Owned assets	1,295,186,410	1,197,502,140	259,723,884	34,975,396	86,283,590	14,685,686	68,303,969	2,956,661,075
Total at December 31, 2022	1,295,186,410	1,197,502,140	259,723,884	34,975,396	86,283,590	14,685,686	68,303,969	2,956,661,075

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

	(Unit : Baht)						
	Separate						
	Land	Buildings and building components	Construction machinery and equipment	Aluminium lining Boards (formwork)	Furniture, fixtures and equipment	Vehicles	Construction in progress Total
Cost							
At January 1, 2022	85,869,331	303,896,986	1,104,501,247	116,084,291	216,034,646	144,531,931	12,371,411 1,983,289,843
Additions	-	-	20,180,302	12,936,023	12,802,288	-	27,935,410 73,854,023
Transfers in (out)	-	15,585,133	2,786,463	-	-	-	(18,371,596) -
Transfer business segment	-	-	-	-	(65,644,815)	-	- (65,644,815)
Disposals/write-off	-	-	(10,684,985)	(3,773,546)	(13,872,809)	(8,416,880)	- (36,748,220)
At December 31, 2022	85,869,331	319,482,119	1,116,783,027	125,246,768	149,319,310	136,115,051	21,935,225 1,954,750,831
Accumulated depreciation							
At January 1, 2022	-	228,445,236	827,347,500	84,754,352	171,718,144	122,628,320	- 1,434,893,552
Depreciation charge for the year	-	18,633,228	40,079,491	9,290,562	13,321,219	7,218,012	- 88,542,512
Transfer business segment	-	-	-	-	(42,539,786)	-	- (42,539,786)
Disposals/write-off	-	-	(10,367,848)	(3,773,542)	(13,718,262)	(8,416,967)	- (36,276,619)
At December 31, 2022	-	247,078,464	857,059,143	90,271,372	128,781,315	121,429,365	- 1,444,619,659

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

	(Unit : Baht)							
	Separate							
	Land	Buildings and building components	Construction machinery and equipment	Aluminium lining Boards (formwork)	Furniture, fixtures and equipment	Vehicles	Construction in progress	Total
Net book value								
Owned assets	85,869,331	75,451,750	277,153,747	31,329,939	44,316,502	21,903,611	12,371,411	548,396,291
Total at December 31, 2021	85,869,331	75,451,750	277,153,747	31,329,939	44,316,502	21,903,611	12,371,411	548,396,291
Owned assets	85,869,331	72,403,655	259,723,884	34,975,396	20,537,995	14,685,686	21,935,225	510,131,172
Total at December 31, 2022	85,869,331	72,403,655	259,723,884	34,975,396	20,537,995	14,685,686	21,935,225	510,131,172

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

Depreciation was included in:

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Contract costs	74,118,248	67,044,051	74,118,248	67,044,051
Room service costs	136,705,802	141,556,483	2,077,200	3,536,698
Distribution costs	31,372	124,410	31,372	124,410
Administrative expenses	12,593,578	19,722,479	12,315,692	19,621,855
Total	223,449,000	228,447,423	88,542,512	90,327,014

As at December 31, 2022 and 2021, buildings and equipment of the group companies at cost of Baht 981 million and Baht 875 million, respectively, have been fully depreciated but still in use.

During 2022, a subsidiary (Delta Infra One Co., Ltd.) made a total of 2 contracts to invest in developing construction design and installing power generator equipments. At the expiration of the contracts, the ownership of the assets installed in the buyer's asset will be instantly transferred to the buyer.

Assets under construction:

- Total budget cost of project in constructing service apartment building of a subsidiary (SCR Asset Management Co., Ltd.) at Sriracha Poe, Prachinburi Province (Project 3), amounted to Baht 550 million. Actual cost incurred to December 31, 2022, in the amount of Baht 6 million, (recorded as construction in progress of Baht 6 million), remaining amounted to Baht 6 million.

Pledge:

As at December 31, 2022, land, buildings and building improvement of the Company in the carrying amount of Baht 96 million including indemnity from insurance of those assets were mortgaged as collateral for contingent liabilities due to the letter of guarantee issued by the domestic commercial banks.

As at December 31, 2022, land with existing structures of the subsidiary (SCR Asset Management Co., Ltd) in the carrying amount of Baht 634 million and structures to be constructed in the future was mortgaged as collateral for contingent on borrowings from the domestic commercial bank in the credit line amounting to Baht 620 million. (Note 19)

As at December 31, 2022, the residences in Eight Thonglor Project of the subsidiary (CSM Capital Partners Co., Ltd) in the carrying amount of Baht 1,214 million were mortgaged as collateral for contingent on borrowings from the domestic commercial bank in the credit line amounting to Baht 1,000 million. (Note 19)

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

14. Right-of-use assets, net and lease liabilities, net

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Right-of-use assets				
Land	600,481,251	607,689,849	19,533,121	21,423,202
Building and building improvement	-	402,319,408	-	402,319,408
Vehicles	8,001,199	16,585,402	7,430,994	15,736,378
Total right-of-use assets	608,482,450	1,026,594,659	26,964,115	439,478,988
Lease liabilities				
Current	25,156,572	37,285,768	24,882,945	37,009,287
Non- Current	488,904,387	648,767,385	5,086,115	189,660,235
Total lease liabilities	514,060,959	686,053,153	29,969,060	226,669,522

Movements of the right-of-use assets account for the years ended December 31, 2022 and 2021 can be summarized as follows:

	(Unit : Baht)			
	Consolidated			
	Land	Buildings and building components	Vehicles	Total
At January 1, 2021	537,391,335	440,050,455	25,341,723	1,002,783,513
Increase	110,316,302	-	-	110,316,302
Depreciation charge for the year	(40,017,788)	(37,731,047)	(8,756,321)	(86,505,156)
Total at December 31, 2021	607,689,849	402,319,408	16,585,402	1,026,594,659
Increase	39,545,851	-	-	39,545,851
Dncrease	(5,474,346)	-	-	(5,474,346)
Transfer business segment	-	(375,889,666)	-	(375,889,666)
Depreciation charge for the year	(41,280,103)	(26,429,742)	(8,584,203)	(76,294,048)
Total at December 31, 2022	600,481,251	-	8,001,199	608,482,450

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

	(Unit : Baht)			
	Separate			
	Land	Buildings and building components	Vehicles	Total
At January 1, 2021	16,811,942	440,050,455	24,041,762	480,904,159
Increase	26,887,804	-	-	26,887,804
Depreciation charge for the year	(22,276,544)	(37,731,047)	(8,305,384)	(68,312,975)
Total at December 31, 2021	21,423,202	402,319,408	15,736,378	439,478,988
Increase	26,249,456	-	-	26,249,456
Dncrease	(5,474,347)	-	-	(5,474,347)
Transfer business segment	-	(375,889,666)	-	(375,889,666)
Depreciation charge for the year	(22,665,190)	(26,429,742)	(8,305,384)	(57,400,316)
Total at December 31, 2022	19,533,121	-	7,430,994	26,964,115

According to the minutes of the Company's Board of Directors Meeting No. 9/2022 held on September 19, 2022, it was resolved to approve the sale of land leasehold rights and residential buildings. to a company totalling 200 million baht. The Company has transferred the right to lease the land. and residential building to the buyer on October 1, 2022.

Business segment are as follows:

	(Unit : Baht)
	Consolidated and Separate
Net book value as of 30 September 2022	
Right-of-use assets - net	375,889,666
Lease liabilities - net	(176,837,733)
Inventories	271,444
Intangible assets	445,545
Property, plant and equipment	23,105,029
Loss on sale of business segment	(22,873,951)
Total	200,000,000

On October 1, 2022, the Company transferred the leasehold rights of land and residential buildings agreement which is the real estate development business for room service of the Company to the buyer.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

The statement of income included following transactions related to leases.

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Depreciation charge of right-of-use assets				
Land	41,280,103	40,017,788	22,665,190	22,276,543
Building and building improvement	26,429,742	37,731,047	26,429,742	37,731,047
Vehicles	8,584,203	8,756,321	8,305,384	8,305,384
Total Depreciation charge of right-of-use assets	76,294,048	86,505,156	57,400,316	68,312,974

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Finance cost relating to leases	20,603,491	21,974,981	6,481,083	9,052,070
Expenses relating to short-term leases (Included in cost of sales and administrative expenses)	6,451,014	5,804,421	6,451,014	5,804,421

The total cash outflow for leases of the Group and the Company in 2022 and 2021 were Baht 25 million in the consolidated, Baht 29 million and 44 million in the separate, respectively.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

15 Intangible assets

	(Unit : Baht)		
	Consolidated		
	List of customers and existing business	Software license	Total
Cost			
At January 1, 2021	8,000,000	49,962,164	57,962,164
Additions	-	4,938,652	4,938,652
At December 31, 2021 and January 1, 2022	8,000,000	54,900,816	62,900,816
Additions	-	15,758,456	15,758,456
Transfer business segment	-	(2,896,245)	(2,896,245)
Disposals/write-off	-	(163,839)	(163,839)
At December 31, 2022	8,000,000	67,599,188	75,599,188
Accumulated amortization			
At January 1, 2021	8,000,000	43,417,920	51,417,920
Disposals/write-off	-	4,362,903	4,362,903
At December 31, 2021 and January 1, 2022	8,000,000	47,780,823	55,780,823
Amortization charge for the year	-	5,225,156	5,225,156
Transfer business segment	-	(2,450,700)	(2,450,700)
Disposals/write-off	-	(153,638)	(153,638)
At December 31, 2022	8,000,000	50,401,641	58,401,641
Net book value			
At December 31, 2021	-	7,119,993	7,119,993
At December 31, 2022	-	17,197,547	17,197,547

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

	(Unit : Baht)	
	Separate	
	Software license	Total
Cost		
At January 1, 2021	48,219,291	48,219,291
Additions	4,677,811	4,677,811
At December 31, 2021 and January 1, 2022	52,897,102	52,897,102
Additions	14,433,961	14,433,961
Transfer business segment	(2,896,245)	(2,896,245)
Disposals/write-off	(61,838)	(61,838)
At December 31, 2022	64,372,980	64,372,980
Accumulated amortization		
At January 1, 2021	41,913,191	41,913,191
Amortization charge for the year	4,216,762	4,216,762
At December 31, 2021 and January 1, 2022	46,129,953	46,129,953
Amortization charge for the year	5,143,418	5,143,418
Transfer business segment	(2,450,700)	(2,450,700)
Disposals/write-off	(61,838)	(61,838)
At December 31, 2022	48,760,833	48,760,833
Net book value		
At December 31, 2021	6,767,149	6,767,149
At December 31, 2022	15,612,147	15,612,147

Amortization for the year was included in:

	(Unit: Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Construction cost	2,094,267	66,119	2,094,267	66,119
Service cost	66,125	228,432	-	105,227
Administrative expenses	3,064,764	4,068,352	3,049,151	4,045,416
Total	5,225,156	4,362,903	5,143,418	4,216,762

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

16 Trade accounts payables

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Related companies	18,298,360	6,205,303	18,298,360	6,205,303
Other parties	237,666,200	216,368,712	226,534,514	208,201,850
Total	255,964,560	222,574,015	244,832,874	214,407,153

17 Other current payables

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Related companies	1,379,144	1,669,730	14,955	16,426,528
Other parties	337,056,034	352,103,802	283,648,382	319,366,812
Total	338,435,178	353,773,532	283,663,337	335,793,340
Other parties				
Other payables	45,691,825	31,218,961	8,273,311	14,722,082
Accrued value added tax	21,645,489	14,786,371	20,211,266	13,414,056
Accrued withholding tax	6,644,127	7,576,440	6,286,240	7,273,866
Other accrued expenses	121,331,172	87,944,535	107,134,144	73,379,313
Accrued estimated construction cost	141,743,421	210,577,495	141,743,421	210,577,495
Total	337,056,034	352,103,802	283,648,382	319,366,812

18 Retention payables from subcontractors

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Related companies	3,473,374	2,844,394	3,473,374	2,844,394
Other parties	301,778,449	313,024,585	301,778,449	313,024,585
Total	305,251,823	315,868,979	305,251,823	315,868,979

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

19 Long-term loans

	(Unit : Baht)	
	Consolidated	
	2022	2021
Beginning balance	1,535,033,492	1,632,244,438
Deduction	(60,000,000)	(100,000,000)
	1,475,033,492	1,532,244,438
(Profit) loss from changes in contract terms	(1,175,095)	276,930
Additional (deduction) the principal based on effective real interest rate method	1,751,919	2,512,124
Ending balance	1,475,610,316	1,535,033,492
<u>Less</u> current portion of long-term loans	<u>(151,520,639)</u>	<u>(152,006,807)</u>
Net	<u>1,324,089,677</u>	<u>1,383,026,685</u>

Loans from domestic financial institution

19.1 On December 2, 2014, a subsidiary (SCR Asset Management Co., Ltd.) entered into a loan agreement with a domestic financial institution in credit line of Baht 390.70 million. As of December 31, 2022, it was fully withdrawn, requiring monthly repayable interest from the date of the first drawdown and requiring monthly repayable principal within 10 years and 6 months. The first repayment shall be in 31st month of Baht 1.90 million to Baht 6.40 million. These loans were secured by 2 plots of land including structures, existing at the present and to be constructed in the future are mortgaged as collateral under the mortgage agreement dated December 15, 2017.

Under the above loan agreement contains certain restrictive conditions such as opening operating account with a commercial bank, shareholding of the main shareholder of the Company and the events of default or non-compliance with the loan agreements, which assumes that it is default. The default entitles the bank to accelerate the maturity of all amounts outstanding and immediately payable. Since the year 2019, the agreement requires certain financial ratio (DSCR) not less than 1.1.

On September 23, 2013, a subsidiary (SCR Asset Management Co., Ltd.) entered into a loan agreement with a local financial institution in credit line of Baht 224 million. As of December 31, 2022, loan was completely drawdown in the amount of Baht 206 million because the project is completed, requiring monthly repayable principal with interest within 8 years and 6 months. The first repayment at nineteenth month of Baht 1.30 million to Baht 4 million. These loans were secured by 11 plots of land including structures, existing at the present and to be constructed in the future are mortgaged as collateral under the mortgage agreement dated June 12, 2014, in the credit line amounting to Baht 229 million.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Under the above loan agreements contains certain restrictive conditions such as opening operating account with a commercial bank, shareholding of the main shareholder of the Company and an event of default or non-compliance with the loan agreements, which assumes that it is default. This may entitle the bank has the right to accelerate the maturity of all outstanding loans immediately due. In addition, the agreements determined certain financial ratio of the subsidiary as follows:

	<u>Financial ratio per</u> <u>agreements</u>	<u>Financial ratio as at</u> <u>December 31, 2022</u>
Financial ratio (DSCR)	Not less than 1.1	0.18

On September 28, 2022 and September 30, 2021, the subsidiary received a letter notifying except for the conditions of DSCR under the loan agreement for the year 2022 and 2021, respectively.

In the year 2022 and 2021, Local financial institutions have approved to several change the terms of the loan agreement. According to the objectives of the subsidiary that requested the domestic financial institutions to relax the conditions for repayment of the original loan agreements, the final details are as follows:

Credit line of Baht 390.70 million

1. The Company agrees to pay only interest for a period of 30 months starting from July 2020 to December 2022.
2. The Company agrees to repay the principal amounting to Baht 390.70 million to the domestic financial institutions within a period of 96 months, starting from January 2023 to December 2030.

Credit line of Baht 205 million

1. The Company agrees to pay only interest for a period of 37 months starting from May 2020 to May 2023.
2. The Company agrees to repay the principal amounting to Baht 94.18 million to the domestic financial institutions within a period of 22 months, starting from May 2023 to February 2025.

For the year ended December 31, 2022 and 2021, the subsidiary company has loss from the modification of loan agreements amounting to Baht 4.16 million and Baht 0.74 million, respective.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

19.2 On April 7, 2016, the subsidiary (“CSM Capital Partners Co., Ltd.”) had entered into the loan agreement with a domestic commercial bank in the amount of Baht 1,550 million to support the development of Eight Thonglor Residences Project, requiring repayable the principal and interest within 4 years and 10 years from the date of the first drawdown. Interest rate is charged at MLR-2.10 to MLR-2.75 per annum. Such loan was secured by Eight Thonglor Residences Project of 137 units.

On April 28, 2020, the subsidiary (“CSM Capital Partners Co., Ltd.”) had entered into the 2-loan agreement with a domestic commercial bank in credit line of Baht 150 million and Baht 1,000 million, respectively. The purpose of the loan agreements is to repay the original loan agreements of April 7, 2016.

Subsequently, In the year 2021 and 2020, Domestic financial institutions has approved the amendment of the loan agreement on April 28, 2020. According to the objectives of the subsidiary that requested the domestic financial institutions to relax the conditions for repayment of the original loan agreements, the details are as follows:

Credit line of Baht 150 million

The repayment of principal and payment of interest shall be paid within 2 years from the date of the first drawdown. Which will be due for repayment of the loan by April 2022. The interest rate is charged at MLR-2.48 per annum.

Credit line of Baht 1,000 million

The repayment of principal and payment of interest shall be paid within 11 years from the date of the first drawdown. Which will be due for repayment of the loan by April 2032. The interest rate is charged at MLR-2.25 to MLR-2.48 per annum.

For the year ended December 31, 2022 and 2021, the subsidiary company has gain from the modification of loan agreements amounting to Baht 2.98 million and Baht 0.46

The loan agreements were secured by Eight Thonglor Residences Project of 137 units.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Under the above loan agreements contain certain restrictive conditions such as increasing authorized shares, opening an DSRA account (Debt Service Reserve Account) with the bank amount of Baht 20 million and granting the right to claim deposits amount of Baht 90 million (for the memorandum of agreement on April 21, 2021) and maintaining debt to equity ratio, and the events of default of agreement or non-compliance with loan agreements that assumes to be default. This may entitle the bank has the right to accelerate the subsidiary repay all outstanding immediately. Since the year 2020, the loan agreements also require the subsidiary to maintain debt service coverage ratio (DSCR) not less than 1.1. In addition, the agreement determines certain financial ratios of the Company as follows:

	<u>Financial ratio per</u> <u>agreements</u>	<u>Financial ratio as at</u> <u>December 31, 2022</u>
Debt to equity ratio	Not more than 2.00	1.25
	<u>Financial ratio per</u> <u>agreements</u>	<u>Financial ratio as at</u> <u>December 31, 2022</u>
Financial ratio (DSCR)	Not less than 1.1	2.88

20 Deffered income tax

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

	(Unit: Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Deferred tax assets - Net	-	2,883,962	-	2,883,962
Deferred tax liabilities - Net	(24,963,319)	(2,419,612)	(24,759,849)	-
Deferred tax assets (liabilities), net	(24,963,319)	464,350	(24,759,849)	2,883,962

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

Movements of deferred tax assets and liabilities during the year were as follows:

(Unit: Million Baht)			
	Consolidated		
	Charged / credited to		
	At January 1, 2022	Profit (loss)	Other comprehensive income
At December 31, 2022			
Deferred tax assets			
Estimated cost of construction	43	(15)	-
Non - current provisions for employee benefits	38	4	(6)
Provisions	7	9	-
Total	88	(2)	(6)
Deferred tax liabilities			
Property, plant and equipment	2	-	-
Accrued rental and service income	1	(1)	-
Lease liabilities	1	(1)	-
Gain (loss) on measuring investment in equity	82	-	21
Long-term loans	1	(1)	-
Total	87	(3)	21
Net	1	1	(27)

(Unit: Million Baht)			
	Separate		
	Charged / credited to		
	At January 1, 2022	Profit (loss)	Other comprehensive income
At December 31, 2022			
Deferred tax assets			
Estimated cost of construction	43	(15)	-
Non - current provisions for employee benefits	38	4	(6)
Provisions	7	9	-
Total	88	(2)	(6)
Deferred tax liabilities			

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

	(Unit: Million Baht)		
	Separate		
	Charged / credited to		
	At January 1, 2022	Profit (loss)	Other comprehensive income
			At December 31, 2022
Property, plant and equipment	2	-	-
Lease liabilities	1	(1)	-
Gain (loss) on measuring investment in equity	82	-	21
Total	85	(1)	21
Net	3	(1)	(25)

	(Unit: Million Baht)		
	Consolidated		
	Charged / credited to		
	At January 1, 2021	Profit (loss)	Other comprehensive income
			At December 31, 2021
Deferred tax assets			
Estimated cost of construction	100	(57)	-
Non - current provisions for employee benefits	38	-	-
Provisions	9	(2)	-
Total	147	(59)	-
Deferred tax liabilities			
Property, plant and equipment	4	(2)	-
Accrued rental and service income	2	(1)	-
Lease liabilities	1	-	-
Gain (loss) on measuring investment in equity	81	-	1
Long-term loans	1	-	-
Total	89	(3)	1
Net	58	(56)	(1)

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	(Unit: Million Baht)		
	Separate		
	Charged / credited to		
	At	Other	At
	January 1,	comprehensive	December 31,
	2021	Profit (loss)	2021
Deferred tax assets			
Estimated cost of construction	100	(57)	-
Non - current provisions for			
employee benefits	38	-	-
Provisions	9	(2)	-
Total	147	(59)	-
Deferred tax liabilities			
Property, plant and equipment	4	(2)	-
Lease liabilities	1	-	-
Gain (loss) on measuring			
investment in equity	81	-	1
Total	86	(2)	1
Net	61	(57)	(1)

Deferred tax assets arising from temporary differences that have not been recognized in the financial statements were

	(Unit: Million Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Deductible temporary differences	40	49	23	36
Tax losses	237	160	53	1
Total	277	209	76	37

The tax losses will be expired in 2023 to 2027. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit against which the Group/subsidiaries can utilize the benefits therefrom.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

21 Non- current provision for employee benefits

The Group/Company operates post-employment benefits based on the requirement of the Thai Labor Protection Act B.E. 2541 to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans expose the Group/Company to actuarial risk, such as longevity risk, interest rate risk and market (investment) risk.

Non-current provision for employee benefits in the statement of financial position as at December 31 was as follows:

	(Unit: Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Post-employment benefits: -				
Legal severance payments plan	186,977,132	200,585,820	180,458,387	192,418,093
<u>Less</u> Current provision for				
employee benefits	15,660,404	5,730,649	14,732,833	5,634,430
Non-current provision for employee				
benefits	<u>171,316,728</u>	<u>194,855,171</u>	<u>165,725,554</u>	<u>186,783,663</u>

Movement in the present value of the defined benefit obligations

	(Unit: Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Defined benefit obligations				
at January 1	200,585,820	203,250,852	192,418,093	195,276,683
Recognized in profit or loss				
(Gains) or losses on settlement	822,963	6,864,534	123,273	7,473,084
Current service costs	20,290,979	22,880,938	18,401,772	19,977,632
Interest on obligations	2,856,039	2,633,069	2,713,837	2,520,444
	<u>23,969,981</u>	<u>32,378,541</u>	<u>21,238,882</u>	<u>29,971,160</u>
Recognized in the other				
comprehensive income				
Actuarial (gains) loss	(29,683,423)	-	(28,072,128)	-
Other				
Employee benefit paid	<u>(7,895,246)</u>	<u>(35,043,573)</u>	<u>(5,126,460)</u>	<u>(32,829,750)</u>
Non - current provisions for				
employee benefit at December 31	<u>186,977,132</u>	<u>200,585,820</u>	<u>180,458,387</u>	<u>192,418,093</u>

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Actuarial gains and losses recognised in the other comprehensive income at the reporting date arising from:

	(Unit: Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Financial assumptions	(8,988,568)	-	(9,204,842)	-
Demographic assumptions	(495,410)	-	31,973	-
Experience adjustment	(20,199,445)	-	(18,899,259)	-
Total	(29,683,423)	-	(28,072,128)	-

Expense recognized in profit or loss.

	(Unit: Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
(Gains) or losses on settlement	822,963	6,864,534	123,273	7,473,084
Current service costs	20,290,979	22,880,938	18,401,772	19,977,632
Interest on obligation	2,856,039	2,633,069	2,713,837	2,520,444
Total	23,969,981	32,378,541	21,238,882	29,971,160

Expenses are recognized in the statement of comprehensive income.

	(Unit: Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Contract costs	14,530,855	21,997,062	14,530,855	21,997,062
Cost of service	1,155,761	1,406,124	-	-
Administrative expenses	8,283,365	8,975,355	6,708,027	7,974,098
Total	23,969,981	32,378,541	21,238,882	29,971,160

Principal actuarial assumptions at the reporting date

	Consolidated	
	2022	2021
	(%)	
Discount rate	1.69 - 2.60	1.29 - 1.83
Salary increase rate	0.00 - 5.00	2.00 - 4.00
Staff turnover rate	0 - 37.00	0 - 31.00
Mortality rate (Thai Mortality Ordinary Table)	TMO 2017	TMO 2017
Disability rate	5% of mortality rate	5% of mortality rate

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

	Separate	
	2022	2021
	(%)	
Discount rate	1.69	1.31
Salary increase rate	0.00 - 3.00	2.00 - 4.00
Staff turnover rate	0.00 - 20.00	0.00 - 21.00
Mortality rate (Thai Mortality Ordinary Table)	TMO 2017	TMO 2017
Disability rate	5% of mortality rate	5% of mortality rate

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	(Unit : Million Baht)			
	Consolidated			
	December 31, 2022		December 31, 2021	
	Increase	Decrease	Increase	Decrease
1 percent change				
Discount rate	(8.91)	10.08	(12.11)	13.92
Salary increase rate	9.31	(9.01)	14.71	(13.14)
Employee turnover rate	(6.14)	5.19	(12.85)	7.67
Mortality table (1 year)	0.42	(0.45)	0.59	(0.61)

	(Unit : Million Baht)			
	Separate			
	December 31, 2022		December 31, 2021	
	Increase	Decrease	Increase	Decrease
1 percent change				
Discount rate	(8.17)	9.22	(11.12)	12.75
Salary increase rate	9.13	(8.25)	13.60	(12.17)
Employee turnover rate	(5.55)	5.21	(11.80)	7.22
Mortality table (1 year)	0.41	(0.41)	0.57	(0.57)

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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

Analysis of the amounts of benefits to be paid in the future before discount as of December 31, 2022 are as follows:

	(Unit : Baht)	
	Consolidated	Separate
Retirement benefits		
Within 1 year	15,660,404	14,732,833
After 1 year, within 5 years.	124,203,825	123,582,563
After 5 years	501,437,719	434,505,307
Total	641,301,948	572,820,703

22 Provisions

	(Unit : Baht)			
	Consolidated		Separate	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Provision for the estimating costs of rectification and guarantee work	47,129,505	14,942,299	47,129,505	14,942,299
Provision for litigation	36,116,767	31,537,839	34,154,438	31,537,839
Estimated demolition cost	3,690,400	3,690,400	-	-
Total	86,936,672	50,170,538	81,283,943	46,480,138
Current	47,129,505	14,942,299	47,129,505	14,942,299
Non-current	39,807,167	35,228,239	34,154,438	31,537,839
Total	86,936,672	50,170,538	81,283,943	46,480,138

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Movements for the year ended December 31 were as follows:

(Unit : Million Baht)

	Consolidated							
	costs of rectification and		Provision for litigation		Estimated demolition		Total	
	guarantee work				cost			
	2022	2021	2022	2021	2022	2021	2022	2021
As at January 1	15	11	31	29	4	4	50	44
Provision increased	52	17	5	2	-	-	57	19
Reversal	-	(3)	-	-	-	-	-	(3)
Payment of provision	(20)	(10)	-	-	-	-	(20)	(10)
As at December 31	47	15	36	31	4	4	87	50

(Unit : Million Baht)

	Separate					
	costs of rectification and		Provision for litigation		Total	
	guarantee work					
	2022	2021	2022	2021	2022	2021
As at January 1	15	11	31	29	46	40
Provision increased	52	17	3	2	55	19
Reversal	-	(3)	-	-	-	(3)
Payment of provision	(20)	(10)	-	-	(20)	(10)
As at December 31	47	15	34	31	81	46

23 Legal reserve

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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

24 Treasury shares and Treasury shares reserve

Treasury shares

The treasury shares account within equity comprises the cost of the Company's own shares held by the Company.

On May 12, 2022, the Board of Directors' Meeting of the Company approved on the resale of repurchased shares. Number of shares resold 9.04 million shares or equal to 0.57% of the total of paid-up capital. The period for resale of shares will be from May 27, 2022 to June 15, 2022, and approve the reduction of the paid-up capital by writing off the unsold treasury shares after the redemption period

On June 27, 2022, the Company registered the capital reduction with the Ministry of Commerce according to the number of unallocated treasury shares of 9.04 million shares and transferred the treasury shares reserve to the unappropriated retained earnings of Baht 22.90 million. After the capital reduction, the company has 1,591 million ordinary shares.

As at December 31, 2021 the Company held 9.04 million shares of the Company, comprising 0.57% of the Company's issued share capital, at a total cost of Baht 22.90 million.

In 2018, the Board of Directors of the Company approved a treasury share plan ("Plan") to re-purchase not more than 3.70%, or 60 million shares, of the Company's shares then in issue. The purpose of the Plan is to manage the Company's excess liquidity. The maximum amount approved for share purchase under the Plan is Baht 200 million and the price to be paid for the shares is not to exceed 115% of the average closing price on the Stock Exchange of Thailand (SET) over the 5 trading days before each share purchase is made. The Company could purchase the shares through the SET during the period from December 17, 2018 to June 16, 2019. The shares purchased may be resold after 6 months but within 3 years from the date of purchase.

Treasury shares reserve

The treasury shares reserve represents the amount appropriated from retained earnings equal to the cost of the Company's own shares held by the Company. The treasury shares reserve is not available for dividend distribution.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

25 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 managing director and/or the Company's Board of Directors.

Information of the performance of each segment reported a profit before tax of the segment. Which is presented in the management reports on a monthly basis, summarized as follows:

The Group/Company comprises the 3 reportable segments as follows:

- Segment 1: Construction business
- Segment 2: Real estate development for room service or service apartment and rental business.
- Segment 3: Operate the management business for hotel, service apartment and other properties.

Geographical segments

Management considers that the Group/Company operates in a single geographical area, namely in Thailand, and has, therefore, only one major geographical segment.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

Information about reportable segments:

	(Unit: Million Baht)							
	Segment 1		Segment 2		Segment 3		Total reportable segment	
	2022	2021	2022	2021	2022	2021	2022	2021
Revenues from customer								
- External	4,740	5,027	412	284	4	3	5,156	5,314
- Inter - segments	7	6	4	4	20	15	31	25
- Eliminated	(7)	(6)	(4)	(4)	(20)	(15)	(31)	(25)
Total revenue	4,740	5,027	412	284	4	3	5,156	5,314
Recognition								
Point in time	31	62	412	284	4	3	447	349
Over time	4,709	4,965	-	-	-	-	4,709	4,965
Total revenue	4,740	5,027	412	284	4	3	5,156	5,314
Segment profit (loss)								
before income tax	(154)	338	(174)	(199)	(21)	(12)	(349)	127
Interest income	-	-	-	-	-	-	-	-
Interest expense	2	2	70	73	-	-	72	75
Depreciation and amortization	112	124	216	218	-	-	328	342
Segment assets	6,085	5,638	3,664	4,219	7	9	9,756	9,866
Investment properties	7	7	481	502	-	-	488	509
Property, plant and equipment	560	524	2,397	2,548	-	-	2,957	3,072
Right-of-use assets	27	37	581	989	-	-	608	1,026
Segment liabilities	1,872	1,437	2,062	2,273	4	5	3,938	3,715

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	(Unit: Million Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Revenues				
Total revenue from reportable segments	5,126	5,250	4,760	4,990
Other revenue	61	89	45	76
Elimination of inter-segment revenue	(31)	(25)	-	-
Consolidated revenue	5,156	5,314	4,805	5,066

Profit or loss

Total profit for reportable segments	(409)	120	(272)	303
Elimination of inter-segment profits	-	-	-	-
Profit before income tax	(409)	120	(272)	303

	(Unit: Million Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Assets				
Segmental assets	6,799	6,794	5,636	5,629
Investments in subsidiaries	-	-	1,567	1,532
Property, plant and equipment	2,957	3,071	510	548
Total assets	9,756	9,865	7,713	7,709

Liabilities

Total liabilities for reportable segments	3,938	3,715	1,860	1,641
Other liabilities	-	-	-	-
Total liabilities	3,938	3,715	1,860	1,641

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

	(Unit: Million Baht)		
	Reportable segment totals	Adjustments	Consolidated totals
Other material items			
2022			
Interest income	7	(6)	1
Interest expense	78	(6)	72
Depreciation and amortization	329	(1)	328
2021			
Interest income	6	(5)	1
Interest expense	81	(5)	76
Depreciation and amortization	343	(1)	342

Major customers

Revenue from one customer of the Company's segment 1 for the years 2022 and 2021 approximately Baht 1,233 million and Baht 924 million, respectively.

On December 31, 2022, a subsidiary had suspended its operations due to the end of the contracts with a customer ("Holding Company"). At present, the company's executives are currently considering the conduction of business in the future of The Company.

26 Provident fund

The Group/Company has established a provident fund for staff of the Group/Company on a voluntary basis for employees being members of the fund. In which the employees contribute 3 - 5 percent of their monthly salary. And the Group/Company contributes at the rate of 3 to 5 percent of the monthly salary of the employees. Provident fund Registered as a provident fund in accordance with the regulations of the Ministry of Finance and managed by a licensed fund manager.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

27 Expenses by nature

Certain accounts included in calculating profit (loss) from operations for the years ended December 31 have been classified by nature as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Raw material and consumables used	1,822	1,104	1,822	1,104
Room service costs	86	65	28	18
Subcontractor cost	1,593	1,858	1,593	1,858
Employee and workers expenses	1,029	1,124	955	1,070
Depreciation and amortization expenses	328	342	152	163
Management benefit expenses	51	47	47	42
Loss on write-off of bad debts	9	-	-	-
Other expenses	576	577	474	498
Finance costs	72	76	7	9
Total expenses	5,566	5,193	5,078	4,762

28 Income tax

Income tax for the years ended December 31, 2022 and 2021 are summarized as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Current income tax				
For the current year	-	-	-	-
Deferred income tax:				
Changes in temporary differences	(1)	56	1	56
Income tax presented in the income statement	(1)	56	1	56

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

The amount of income tax related to components in the statements of comprehensive income for the years ended December 31, 2022 and 2021 are summarized as follows:

(Unit: Million Baht)						
	Consolidated					
	2022			2021		
	Income			Income		
	Before income tax	(expense) income tax	Net of income tax	Before income tax	(expense) income tax	Net of income tax
Change in fair value of equity securities	105	(21)	84	8	(2)	6
Profit (loss) on remeasurement of employee benefits	30	(6)	24	-	-	-
Total	135	(27)	108	8	(2)	6

(Unit: Million Baht)						
	Separate					
	2022			2021		
	Income			Income		
	Before income tax	(expense) income tax	Net of income tax	Before income tax	(expense) income tax	Net of income tax
Change in fair value of equity securities	105	(21)	84	8	(2)	6
Profit (loss) on remeasurement of employee benefits	28	(6)	22	-	-	-
Total	133	(27)	106	8	(2)	6

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENED DECEMBER 31, 2022

Reconciliation to find the effective tax rate

(Unit: Million Baht)			
Consolidated			
2022		2021	
Tax rate (Percent)	Amount	Tax rate (Percent)	Amount
Profit before income tax	20	20	120
Tax amount according to income tax rate	(82)		24
Expenses that have the right to deduct increased	3		(11)
Expenses not deductible for tax purposes	5		9
Losses in the current year that are not recognized as assets	73		34
Total	(1)		56

(Unit: Million Baht)			
Separate			
2022		2021	
Tax rate (Percent)	Amount	Tax rate (Percent)	Amount
Profit before income tax	20	20	303
Tax amount according to income tax rate	(54)		61
Expenses that have the right to deduct increased	6		(9)
Expenses not deductible for tax purposes	(2)		4
Losses in the current year that are not recognized as assets	51		-
Total	1		56

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

29 Earnings per share

The calculation of basic earnings per share for the year ended December 31, 2022 and 2021 were based on the profit for the year attributable to ordinary shareholder of the Company and the number of ordinary shares outstanding during the year as follows:

	Consolidated		Separate	
	2022	2021	2022	2021
Profit for the period attributable to				
shareholders of the Company (basic)	(367,793,858)	125,232,981	(273,388,348)	247,024,398
Number of ordinary shares outstanding	1,590,957,300	1,590,957,300	1,590,957,300	1,590,957,300
Basic earnings per share (in Baht)	(0.24)	0.08	(0.17)	0.16

30 Dividends

Year 2022: -

On April 29, 2022, the annual general meeting of shareholders approved the payment of dividend at the rate of Baht 0.03 per share, totaling Baht 47.73 million, which the company has already paid to the shareholders on May 20, 2022.

Year 2021: -

The Board of Directors' Meeting of the Company held on August 13, 2021, the resolved to pay an interim dividend for the period from January 1, 2021 to June 30, 2021 at the rate of Baht 0.03 per share, which the Company made the payment on September 10, 2021.

On April 30, 2021, the annual general meeting of shareholders approved the payment of dividend at the rate of Baht 0.05 per share, totaling Baht 79.55 million, which the Company made the payment on May 21, 2021.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

31 Financial instruments

Financial risk management policies

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

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

Capital management

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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group/Company's operations and its cash flows because loan interest rates are mainly fixed. The Group/Company is primarily exposed to interest rate risk from its borrowings. The Group/Company does not use derivative financial instruments to manage those exposures.

The effective interest rates of deposit at the banks, debt securities and interest-bearing financial liabilities as at December 31 and the year in which those liabilities mature or re-price were as follows:

	(Unit : Million Baht)				
	Consolidated				
	Effective	After 1 year			
	Interest rate	Within 1	but within 5	After 5	
	(% per annum)	year	years	years	Total
2022					
Current					
Cash and cash equivalents	0.10 - 0.35	243	-	-	243
Other current financial assets	-	1,932	-	-	1,932
Short-term loans	2.83 - 3.58	4	-	-	4
Current Portion of Long-term Loans	3.76 - 4.23	(152)	-	-	(152)
Non-current					
Pledged deposit at banks	0.40 - 0.55	1	-	-	1
Long-term loans	3.76 - 4.23	-	(502)	(822)	(1,324)
Total		2,028	(502)	(822)	704
2021					
Current					
Cash and cash equivalents	0.12 - 0.31	338	-	-	338
Other current financial assets	-	1,727	-	-	1,727
Short-term loans	3.08	1	-	-	1
Current Portion of Long-term Loans	3.30 - 3.58	(152)	-	-	(152)
Non-current					
Pledged deposit at banks	0.25	2	-	20	22
Long-term loans	3.30 - 3.58	-	(626)	(757)	(1,383)
Total		1,916	(626)	(737)	553

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

(Unit : Million Baht)

	Separate				
	Effective Interest rate (% per annum)	Within 1 year	After 1 year but within 5 years	After 5 years	Total
2022					
Current					
Cash and cash equivalents	0.10 - 0.30	104	-	-	104
Other current financial assets	-	1,932	-	-	1,932
Short-term loans	2.83 - 3.58	117	-	-	117
Non-current					
Pledged deposit at banks	0.40 - 0.55	1	-	-	1
Total		2,154	-	-	2,154
2021					
Current					
Cash and cash equivalents	0.20 - 0.31	234	-	-	234
Other current financial assets	-	1,726	-	-	1,726
Short-term loans	3.00	84	-	-	84
Non-current					
Pledged deposit at banks	0.25	2	-	-	2
Total		2,046	-	-	2,046

Foreign currency risk

The Company has no exposure on foreign currency risk due to the number of creditors denominated in foreign currencies is immaterial.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Credit risk

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

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers, historical payment and legal opinion analysis, requiring credit over a certain amount. Collection in advance before starting projects and collection based on the completion of work are performed. The exposure to credit risk is represented by the carrying amount less an allowance for credit losses

In the reporting date as described in note 6 to the financial statement. However, due to the large number of parties comprising the Group's/Company's customer base, management does not anticipate material losses from its debt collection.

Liquidity risk

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

Carrying amount and fair values

The Company's accounting policies and disclosures require the determination of fair values for both financial and non-financial assets and liabilities. Fair value means the price that will be received from the sale of assets or will pay to transfer the liabilities in the normal transaction between the market participants at the measurement date the purpose of measurement and / or fair value disclosure is determined by the following methods.

The fair value of cash and cash equivalents Trade and other current receivables Retention receivable for work in progress, unbilled construction in progress Short-term loans Deposit pledged as collateral Bank overdrafts and short-term loans Trade and other current payables and other current liabilities which are close to the price recorded in the account.

The fair value of investments in equity securities is determined by reference to the quoted price at the reporting date.

The fair value of investments in debt securities - mutual funds is based on investment unit prices announced by fund managers on the last business day of the end of the reporting period.

The fair value of long-term loans is close to the price recorded in the account, since most of the instruments. These financial instruments bear interest at market rates.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

For financial assets and liabilities other than those measured at amortized cost, than the above, the book values and fair values are as follows:

	(Unit : Million Baht)				
	Consolidated				
	Carrying	Fair Value			Total
	amount	Level 1	Level 2	Level 3	
December 31, 2022:					
Assets					
Financial assets measured at					
 fair value through profit or loss					
Mutual fund – debt securities	1,910	-	1,910	-	1,910
Financial assets measured at					
 fair value through other					
 comprehensive income					
Equity securities	737	737	-	-	737
	2,647	737	1,910	-	2,647
December 31, 2021:					
Assets					
Financial assets measured at					
 fair value through profit or loss					
Mutual fund – debt securities	1,614	-	1,614	-	1,614
Financial assets measured at					
 fair value through other					
 comprehensive income					
Equity securities	631	631	-	-	631
	2,245	631	1,614	-	2,245

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

	(Unit : Million Baht)				
	Separate				
	Carrying	Fair Value			
	amount	Level 1	Level 2	Level 3	Total
December 31, 2022:					
Assets					
Financial assets measured at fair value through profit or loss					
Mutual fund – debt securities	1,909	-	1,909	-	1,909
Financial assets measured at fair value through other comprehensive income					
Equity securities	737	737	-	-	737
	2,646	737	1,909	-	2,646
December 31, 2021:					
Assets					
Financial assets measured at fair value through profit or loss					
Mutual fund – debt securities	1,613	-	1,613	-	1,613
Financial assets measured at fair value through other comprehensive income					
Equity securities	631	631	-	-	631
	2,244	631	1,613	-	2,244

The above fair value measured at the quoted prices in active markets.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

32 Commitments with non-related parties

As at December 31, 2022 the Group/Company had commitments as follows:

	(Unit: Million Baht)	
	Consolidated	Separate
Capital commitments: -		
Not provide for		
Condominium	4	4
Camp and other buildings	6	6
Cost of construction building for service room	544	-
Total	554	10
Other commitments: -		
Subcontractor agreements	1,984	1,984
Letters of guarantee from banks for purchasing inventories, utilities usage, guarantee the work performance and advance received from customers	2,039	2,039
Total	4,023	4,023

The subsidiary (SCR Assets Management Co., Ltd.) had commitment under the technical consulting agreement and the service apartment management with other company, requiring consulting fee and service including conditions according to the agreements.

The subsidiary (CSM Capital Partners Co., Ltd.) had commitment under the room management agreement with other company, requiring management fee and conditions according to the agreements.

As at December 31, 2022 the Group had unutilized credit facilities obtaining from domestic financial institutions totaling Baht 4,660 million.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENED DECEMBER 31, 2022

33 Contingent liabilities and assets

Litigations

As at December 31, 2022, contingent liabilities were as follows:

- The Company was sued by other person regarding the tort and claiming a compensation of construction and guarantee in the amount of Baht 2.55 million at the sue date. Subsequently, the Court of Appeal ordered the Company to jointly demolish and pay damages of Baht 100,000 with interest rate 7.5% per annum from September 23, 2013, onwards and monthly damages of Baht 5,000 onwards until the demolition will be completed. On December 5, 2018, the Company has filed a petition to the Supreme Court, which on October 28, 2020, the Supreme Court ruled in accordance with the Appeal Court. On December 31, 2022, the Company already recorded the provision on the above lawsuits amounting to Baht 0.72 million.
- On June 28, 2011, the Black case no. 2398/2554, the Company and Mivan (Thailand) Co., Ltd., as the plaintiff, sued National Housing Authority regarding false of construction agreement and claimed a compensation in the amount of Baht 850 million at the sue date. On September 7, 2012, as Black case no. 2206/2555, the Company sued National Housing Authority to the Federal Administrative Court. The sued amount was Baht 874 million and on July 7, 2015, the Black case no. 1218/2558, the National Housing Authority as the plaintiff, sued the Company regarding false of construction agreement and claimed a compensation in the amount of Baht 63 million at the sue date. The Administrative Court ordered to include this consideration with Black Case No. 2206/2555, Subsequently, on August 10, 2018, the Administrative Court ordered the Company made a payment to the National Housing Authority of Baht 25.32 million with interest rate 7.5% per annum for the principal of Baht 21.25 million from July 7, 2015, until the settlement was completed and ordered the National Housing Authority returned three letters of guarantee to the Company. On September 6, 2018, the Company filed an appeal with the Court. As of February 24, 2023, the case has been in the process of the Court's consideration, the result has not been finalized. However, on December 31, 2022, the Company already recorded the provision on the above lawsuits amounting to Baht 32.07 million (inclusive interest).
- On March 13, 2019, the Company was sued by one customer claiming damage a compensation of construction due to breach of contract amounting to Baht 247.65 million with interest rate 7.5% per annum from the filing date onward. Subsequently, on June 20, 2019, the Company submitted an answer to the court and counterclaimed the plaintiff with amounting to Baht 78.55 million. On 29 September 2022, the Court of First Instance dismissed the plaintiff to pay the Company 71.81 million baht plus interest and extend the period to file an appeal until March 12, 2023.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

- On May 31, 2019, the Company and the subsidiary were sued for infringement and claiming damage a compensation by an insurance company regarding construction claim amounting to Baht 0.42 million. Subsequently, On November 24, 2020, the Court of First Instance dismissed the case against the Company and its subsidiary, On April 19, 2022, the Court of Appeal upheld the judgment of the Court of First Instance dismissing the lawsuit against the Company. Currently, the case is under consideration by the Supreme Court.
- On December 4, 2019, the Company was sued for breach of contract and claiming damage by a condominium juristic person claim amounting to Baht 4.20 million with interest rate 7.5% per annum from the filing date onwards until the payment was completed. Currently in the process of solving the plaintiff's appeal.
- On August 21, 2020, the company was sued by a condominium juristic person as a co-defendant as breach of contract and was claimed for the damages in a capital amount of Baht 38.34 million. And on February 10, 2023, the company entered into a compromise agreement which the company agreed to pay in the amount of Baht 0.40 million and The court issued a verdict as agreed. At present, the case is finished.
- On November 19, 2020, the Subsidiary was sued for breach of contract and claiming damage by a company claim amounting to Baht 22.94 million with interest rate 7.5% per annum from the filing date onwards until the payment was completed. Subsequently, on January 19, 2021, the Subsidiary has submitted an answer to the court. On July 27, 2022, the Court of First Instance ordered the subsidiary to pay Baht 10 million plus interest at the rate of 7.5%. starting from October 24, 2021 until April 10, 2021 and 5% per year from April 11, 2021 onwards, currently in the process of solving the plaintiff's appeal.
- On December 16, 2020, the Company was sued for infringement and claiming damage a compensation by one non-related person claim amounting to Baht 3.45 million with interest rate 7.5% of damages Baht 1.55 million from the filing date onwards. Subsequently, the Company has submitted an answer to the court. On February 28, 2022, the Court of First Instance ordered the company to paying Baht 1.29 million with interest rate 5% per annum. On June 28, 2022, the Company appealed to the court. As of February 24, 2023, the case has been in the process of the Court's consideration, the result has not been finalized. However, on December 31, 2022, the Company already recorded the provision on the above lawsuits amounting to Baht 1.36 million (inclusive interest)
- On June 13, 2022, the Company was sued by a third party to refund the construction work guarantee amounting to Baht 0.67 million baht. The plaintiff agreed to reduce the debt to the company and the company paid the plaintiff on August 16, 2022, the plaintiff requested to withdraw the lawsuit on the same day. and the Court allowed the trial to be completed.

34 Pledge assets

As at December 31, 2022 and 2021, the Group/Company's cash at banks of Baht 21 million and Baht 22 million in consolidated financial statements and Baht 1 million and Baht 2 million in separate financial statement, respectively, was

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

used as collateral for loans, issuance of the letters of guarantee from three domestic commercial banks and guarantee to the Court for the settle debt to a creditor as the Court's judgment.

As at December 31, 2022 and 2021, current investments in debt securities amounted to Baht 141 million, respectively, had been used as collateral for liabilities under letter of guarantee with two domestic commercial banks.

As at December 31, 2022 and 2021, land, office buildings and structures existing at present, and to be constructed in the future of which the book value amounted to Baht 96 million and Baht 99 million, respectively, including of indemnity from fire insurance of those assets were mortgaged as collateral for loans from banks, issuance of the letter of guarantee from banks, other short-term loans and other long-term loans from others pursuant to the mortgage agreements in the credit line amounting to and Baht 2,500 million, respectively.

35 Approval of financial statements

These financial statements were authorized for issue by the Board of Directors on February 24, 2023.

4

เอกสารแนบอื่น ๆ

Other Attachment

Attachment 1: Details of Directors, Executive Officers, Controlling Persons, Person assigned with highest responsibility in accounting and finance,
Persons assigned to be directly responsible for supervision of bookkeeping, Company secretary

As of 31 December 2022

Name-Surname/ Title (1)	Age (years)	Educational Degree (2)	Shareholding Proportion in the Company (%) (3)	Family Relationship Between executives (4)	Work experience in the past 5 years		
					Duration	Position	Name of organization/ company/ Business Type (5)
Mr. Somchai Sirilertpanich - Acting Chairman of the Board, Vice-Chairman of the Board, Nomination and Remuneration Committee, Chairman of the Management Committee, Chief Executive Officer and authorized director	61	- MBA Operation Management University of Scranton Pennsylvania, USA * Trained from IOD DAP, Class 1/2003	None	None	2020-Present	- Director	- Delta Infra One Co., Ltd.
					2019-Present	- Director	- SHG Management Co., Ltd.
					2019-Present	- Director	- AN 8 Co., Ltd.
					2018-Present	- Director	- PT 3 Land Co., Ltd.
					2018-Present	- Director	- JT 10 Co., Ltd.
					2015-Present	- Director	- CSM Capital Partners Co., Ltd.
					2013-Present	- Director	- Natural Ville Service Apartment and Management Co., Ltd.
					2012-Present	- Director	- SCR Asset Management Co., Ltd.
					2004-Present	- Director	- Syntec Construction PCL.
					2000-Present	- Director	- Siam Syntec Planner Co., Ltd.
Mr. Chaiwat Atsawintarakul - Independent Director, Chairman of Audit Committee and Chairman of Nomination and Remuneration Committee	71	Master of Education (Curriculum and Teaching Methodology), Beijing Languages and Cultural University - Master of Business Administration, Thammasat University - Barrister-at-Law, Institute of Legal Education of the Thai Bar Association * IOD DAP, Class 24/2004, DCP, Class 81/2006 And ACP, Class 12/2006 - The Audit Committee's Role in Compliance and Ethical Culture Over sight: IOD	None	None	2022-Present	- Chairman and Chairman of Audit Committee	- Nation International Edutainment PCL.
					2022-Present	- Audit Committee	- Master Ad PCL.
					2022-Present	- Chairman of Audit Committee	- Eastern Polymer Group PCL.
					2013-Present	- Chairman of Audit Committee	- U City PCL.
					2005-Present	- Audit Committee	- Rabbit Holdings PCL.
					2005-Present	- Chairman of Audit Committee	- Eastern Power Group PCL.
					2005-Present	- Director	- Boat House Hua Hin Co., Ltd.
					2004-Present	- Chairman of Audit Committee	- Krungthai Car Rent and Lease PCL.
					2003-Present	- Director	- Syntec Construction PCL.
					1997-Present	- Director	- Prospect Consulting Co., Ltd.

Details of Directors (Continued)

Name-Surname/ Title (1)	Age (years)	Educational Degree (2)	Shareholding Proportion in the Company (%) (3)	Family Relationship Between executives (4)	Work experience in the past 5 years		
					Duration	Position	Name of organization/ company/ Business Type (5)
Miss Benjawan Sinkunakorn - Independent Director, Audit Committee Member and Nomination and Remuneration Committee Member	65	- Literature Chinese Language (Economics and Trade), Beijing Language and Culture University - Master of Business Administration, Thammasat University - Bachelor of Accounting, Bachelor of Laws, Thammasat University - Barrister-at-Law, Institute of Legal Education of the Thai Bar Association * Trained from IOD DAP, Class 24/2004, DCP, Class 79/2006 and ACP, Class 12/2006 -The Audit Committee's Role in Compliance and Ethical Culture Oversight: IOD	None	None	2005-Present 2003-Present 1997-Present	- Independent Director and Audit Committee - Director - Managing Director	- Multi Bax PCL. - Syntec Construction PCL. - Prospect Consulting Co., Ltd.
Mr. Jiramote Phahusutr - Director, Managing Director, Authorized Director	40	- Bachelor and Master Degree, Imperial College of Science, Technology and Medicine, London, UK - High School Education, Sherborne School for boys, Sherborne, UK * Trained from IOD DAP, Class 105/2013	13.04%	Son of Mr. Sukhum Phahusutr	2020-Present 2019-Present 2019-Present 2018-Present 2018-Present 2015-Present 2013-Present 2013-Present 2013-Present 2013-Present	- Director - Director - Director - Director - Director - Director - Director/ Managing Director - Director - Director - Director	- Delta Infra One Co., Ltd. - SHG Management Co., Ltd. - AN 8 Co., Ltd. - PT 3 Land Co., Ltd. - JT 10 Co., Ltd. - CSM Capital Partners Co., Ltd. - Syntec Construction PCL. - SCR Asset Management Co., Ltd. - Natural Ville Service Apartment and Management Co., Ltd - N&J Asset Management Co., Ltd.

Details of Directors (Continued)

Name-Surname/ Title (1)	Age (years)	Educational Degree (2)	Shareholding Proportion in the Company (%) (3)	Family Relationship Between executives (4)	Work experience in the past 5 years		
					Duration	Position	Name of organization/ company/ Business Type (5)
Dr. Arichai Ractham - Independent Director, Audit Committee, Member of the Nomination and Remuneration Committee, Chairman of the Risk Management Committee	56	- PH.D in Financial Economics - Peter Drucker Graduate School of Management, Claremont Graduate School, CA - USA. - Master of finance and Economics, Claremont Graduate School, CA-USA. - Master of Science in International Finance, University of Idaho, USA * Training of IOD by DAP, Class 35/2004, DCP, Class 61/2005 and ACP, Class 15/2006 -The Audit Committee's Role in Compliance and Ethical Culture Over sight : IOD	None	None	2015-Present	- Chairman of Audit Committee and Independent Director	- Advanced Connection Corporation PCL.
					2007-Present	- Director	- Syntec Construction PCL.
Mrs. Angsana Mankongcharoen - Director, Member of the Nomination and Remuneration Committee, Assistant Managing Director, Authorized Director	72	- The Oxford and County Secretarial College * Training from IOD DAP, Class 2/2003	None	None	2013-Present	- Director	- Natural Ville Service Apartment and Management Co., Ltd
					2004-Present	- Director	- Syntec Construction PCL.

Details of Directors (Continued)

Name-Surname/ Title (1)	Age (years)	Educational Degree (2)	Shareholding Proportion in the Company (%) (3)	Family Relationship Between executives (4)	Work experience in the past 5 years		
					Duration	Position	Name of organization/ company/ Business Type (5)
Mr. Tavee Kunlerprasert - Independent Director	50	- Master of Finance, Golden Gate University - Bachelor of Laws (First Class Honors), Chulalongkorn University - Bachelor of Finance, University of the Thai Chamber of Commerce - Certificate of TLCA Executive Development Program , Class 4, Thai Listed Companies Association - Certificate of Senior Executive Program, Class 20, Sasin Graduate Institute of Business Administration of Chulalongkorn University * Training from IOD DAP, Class 35/2005, DCP, Class 79/2006 and ACP, Class 12/2006 * Training from TLCA Leadership Development Program (LDP), Class 3/2015	None	None	2019-Present	- Director	- PSB 35 Co., Ltd.
					2019-Present	- Director	- PSB 5 Co., Ltd.
					2015-Present	- Director	- Knight Club Capital Holding Co.,Ltd
					2014-Present	- Director	- Dark Horse Development Co., Ltd.
					2008-Present	- Director	- Steel Plus Fabrication Co., Ltd.
					2008-Present	- Director	- Steelers Steel Works Co., Ltd.
					2007-Present	- Director	- Practicum Engineering Co., Ltd.
					2004-Present	- Director	- Syntec Construction PCL.
					2000-Present	- Director	- Knight Club Capital Asset Management PCL.
Mr. Paisan Tangyuenyong - Independent Director	58	- Master's Degree in Mechanical Engineering, Wisconsin State University, Madison Campus, USA - Bachelor's degree in Mechanical Engineering, Wisconsin State University, Madison Campus, USA * Training from IOD DAP, Class 28/2004	None	None	2016-Present	- Director	- Syntec Construction PCL.

Details of the management (continued)

Name-Surname/ Title (1)	Age (years)	Educational Degree (2)	Shareholding Proportion in the Company (%) (3)	Family Relationship Between executives (4)	Work experience in the past 5 years		
					Duration	Position	Name of organization/ company/ Business Type (5)
Mr. Sukhum Phahusutr - Deputy Managing Director	77	- Master Degree of Civil Engineering, M.S.C.F. (University of the Philippines)	6.86%	Father of Mr. Jiramote Phahusutr and Ms. Nichaya Phahusutr	2004-Present	- Deputy Managing Director	- Syntec Construction PCL.
					1990-Present	- Director	- Huay Mongkol Agriculture Co., Ltd.
					1989-Present	- Director	- Bangthongsamun Agriculture Co., Ltd.
					1989-Present	- Director	- Bangpakong Agriculture Co., Ltd.
					1989-Present	- Director	- Hin Lek Fai Agriculture Co., Ltd.
					1989-Present	- Director	- Nong Plub Agriculture Co., Ltd.
					1988-Present	- Director	- Or Ngern Agriculture Co., Ltd.
					1988-Present	- Director	- Nawang Agriculture Co., Ltd.
					1988-Present	- Director	- Surasak Agriculture Co., Ltd.
					1988-Present	- Director	- Dan Sam Agriculture Co., Ltd.
Ms. Nichaya Phahusutr - Deputy Managing Director	42	- Master Degree, Risk Management, Reading University, UK	11.06%	Daughter of Mr. Sukhum Phahusutr	2015-Present	- Deputy Managing Director	- Syntec Construction PCL.
					2554-Present	- Director	- N&J Asset Management Co., Ltd.
					2013-Present	- Director	- N&J Hospitality Co., Ltd.
					2005-Present	- Director	- Pink Cafe Co., Ltd.

Details of the Company's management and controlling person (continued)

Name-Surname/ Title (1)	Age (years)	Educational Degree (2)	Shareholding Proportion in the Company (%) (3)	Family Relationship Between executives (4)	Work experience in the past 5 years		
					Duration	Position	Name of organization/ company/ Business Type (5)
Mr. Nayot Pisanthanakul - Deputy Managing Director and Authorized Director	46	- Bachelor of Engineering in Mechanical Engineering of Kasetsart University - Master of Science in Mechanical Engineering University of California, Irvine, (Irvine, CA, U.S.A) - Master of Management, College of Management, Mahidol University	0.08	None	2002-Present	- Deputy Managing Director	- Syntec Construction PCL.
Ms. Sangduen Sombalee - Chief Accounting and Finance Officer	50	- Master of Accounting, Chulalongkorn University - Executive Certificate Program, St. Gallen University, Switzerland *CPA License No.11168	None	None	2020-Present 2016-2019 2010-Present 2009-2015 2005-2552 2002-2005 1993-2002	- Chief Accounting and Finance Officer - Accounting and Finance Manager - Director - Accounting and Finance Director - Accounting and Finance Director - Accounting and Finance Manager - Assistant Accounting and Finance Manager	- Syntec Construction PCL. - Spirax Sarco (Thailand) Co., Ltd. - JAH Co., Ltd. - Siam Shoreside Service Co., Ltd. - Smart Concrete PCL. - Conwood Co., Ltd. - Siam City Cement PCL.
Ms. Natida Loetprachyakorn - Accounting Manager	37	- Master of Banking and Finance and Banking, Ramkhamhaeng University - Bachelor of Business Administration, Accounting, Rajamangala University of Technology Krungthep *CPA License No.11738 *CPA Asian No. 0001229	None	None	2022-Present 2017-2020 2014-2017	- Accounting Manager - Management Financial Department Manager - Assistant Auditing Manager - Assistant Auditing Manager	- Syntec Construction PCL. - Syntec Construction PCL. - KPMG PHOOMCHAI AUDIT CO., LTD. - BDO PCL.

Note:- * Training from Thai Institute Of Directors (IOD) : / DAP = Director Accreditation Program, / DCP = Director Certification Program, / ACP = Audit Committee Program* Training from Federation of Accounting Professions of Thailand/ CPA=Certified Public Accountant

Duties and responsibilities of the company secretary and liaison representative

The Company secretary must perform duties as stipulated in Section 89/15 and Section 89/16 of the Securities and Exchange Act (No. 4) B.E. 2551, which came into force on 31 August 2008 with responsibility, caution and honesty, as well as having to comply with the law, objectives, articles of association, the board resolutions, as well as resolutions of the shareholders' meeting. The legal duties of the Company secretary are as follows:

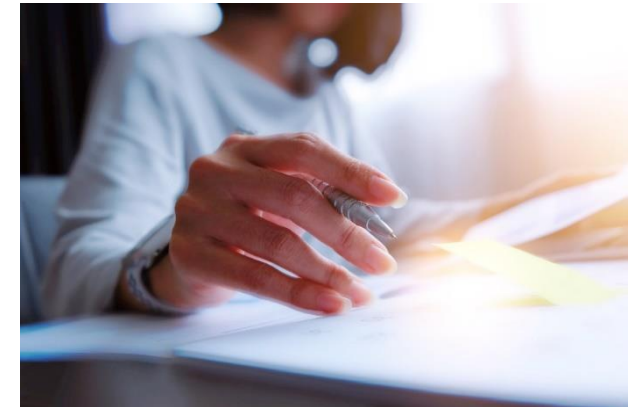
1. Prepare and maintain the following documents:

- A. Register of Directors;
- B. Notice of directors' meeting, Minutes of the Board of Directors' meetings and the Company's annual reports;
- C. Invitation letter to shareholders' meeting and minutes of shareholders' meeting

2. Keep reports of interest reported by the board or executives, deliver a copy of the report of interest under Section

89/14 to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date the Company receives the report.

3. Take other actions as specified by the Capital Market Supervisory Board.



Other duties of the Company secretary

- Arrange for the board of directors' meeting and the shareholders' meeting of the Company in accordance with the law, relevant regulations and good practices
- Provide initial advice and recommendations to the Board of Directors on issues related to regulations of regulators and good corporate governance practices
- Liaise with departments within the Company to comply with the resolutions of the Board of Directors and the resolutions of the shareholders' meeting.
- Liaise with regulators such as the Securities and Exchange Commission and oversee the disclosure of information and reporting information to the regulators and the public to be correct and complete according to the law.
- Provide information to general shareholders to be informed of the rights and Company's news.
- Provide an orientation and give advice to newly appointed directors.



Attachment 2 Information for Director of Subsidiaries (As of 31 December 2022)

Information on holding a position as a Director, Executives and people with control authority in the Company Subsidiaries and Associates

Name of Director and Executive		SYNTEC	Subsidiaries								Other company	
			SCR	N Ville	CSM	PT3	JT10	AN8	SHG	DEL	BEM	BC
Mr. Somchai	Sirilertpanich	//	//	//	//	//	//	//	//	//		
Mr. Chaiwat	Atsawintarakul	/										
Ms. Benjawan	Sinkunakorn	/										
Dr. Arichai	Ractham	/										
Mr. Tawee	Kunlertprasert	/										
Mrs. Angsana	Mangkoncharoen	//		//								
Mr. Paisarn	Tanguengyong	/										
Mr.Jiramote	Phahusutr	//	//	//	//	//	//	//	//	//		
Mr.Sukhum	Phahusutr	*										
Ms.Nichaya	Phahusutr	*			//				//			
Mr. Nayot	Pisunthanakul	*										
Ms.Sangduen	Sornbalee	*										

NOTE:

- Remarks: / = Independent Committee // = Management Committee /// = Director * = Executive
- Name of the first 4 executives according to the definition of the SEC after the Chief Executive Officer are: Mr. Jiramote Phahusutr, Mr. Nayot Pisunthanakul, Ms. Nichaya Phahusutr and Mr. Sukhum Phahusutr.

Attachment 3 Details of the Internal Audit Supervisor

And supervisors to supervise the operations of the company

1) Internal Audit Supervisor

- Mr. Pomanan Vongnipon Position Internal Audit Manager
- Educational qualifications, bachelor's and master's degrees in economics
- Work experience Operational supervision work and internal audit work Siam City Bank PCL.
- Training
 - Certified Internal Professional of Thailand: (The Institute of Internal Auditors of Thailand: IIA)
 - Working Paper for Better Corruption Prevention : Thai Private Sector Collective Action Against Corruption (Thai CAC)
 - State of Cybersecurity 2021 & Cyber Practices by Thai SEC: (IIA)0
 - Innovation IA: Recalibration for COVID Environment 2021: (IIA)
 - Risk Assessment methods for planning the Internal Audit: Federation of Accounting Professions
 - Internal Audit Model Considerations: The Institute of Internal Auditors of Thailand (IIA)
 - Audit Change from Internal Auditor to Consultant: The Institute of Internal Auditors of Thailand (IIA)
 - Fraud Audit: The Institute of Internal Auditors of Thailand (IIA)
 - Ms. Excel for Accounting and Fraud Detection
 - Financial Auditing for Internal Auditors or Non Accountants: The Institute of Internal Auditors of Thailand (IIA)
 - Personal Data Protection Act: PDPA
 - Organizational Risk Management: TRIS Corporation

2. Head of Compliance Unit (Compliance)

- Mr. Watjakorn Sanpor, Senior Compliance Officer (Compliance Department), who is responsible for the center of supervising the Company's compliance with the laws, rules, regulations, policies and requirements of relevant government agencies of the company's business operations who were appointed to start with effective on November 30th, 2022 replacing of Ms. Rattapawee Lapnan, Acting Compliance Manager who resigned with effective on November 30th, 2022.
- Educational qualifications Bachelor of Marketing Management and Dual Master's Degree Program in Public Administration and Business Administration.
- Training
 - Minutes of meeting preparation techniques: (Thai Company Secretary Club)
 - ESG Data Platform: (Stock Exchange of Thailand: SET)

- CGR 2023 Coaching: (Thai Institute of Directors: IOD)
- Discloser information for Management Discussion and Analysis (MD&A): (Thai Listed Companies Association)
- ESG Risks Matter to Supply Chain Management: (Thai Listed Companies Association)
- ESG Data platform (Thai Listed Companies Association)
- Human Rights Due Diligence, The Securities and Exchange Commission, Thailand: SEC
- FSCOMP: (Stock Exchange of Thailand: SET)
- Grabbing Opportunity to Sustainable Growth: (Thailand Securities Depository Co., Ltd. TSD)
- SET Sustainability Forum 1/2023: (Stock Exchange of Thailand: SET)

Roles, duties and responsibilities of the Head of Compliance Unit

Head of the Compliance Unit is responsible for being the center for governing the business operation of the Company and its subsidiaries in accordance with the laws, rules, regulations, policies and requirements of relevant government agencies such as the Stock Exchange of Thailand, Bank of Thailand, Securities and Exchange Commission or other government agencies related to the Company's business operations

The Board of Directors has approved the Compliance Policy by requiring the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Management Committee, senior management and relevant internal departments, including all employees to comply with the laws, rules, regulations, policies and requirements of the relevant government agencies by communicating to relevant persons to realize that everyone has a duty and responsibility to study and understand the laws, rules, regulations, policies and requirements of the relevant government agencies in the work for which they are responsible and perform duties correctly and completely, and adhere to the specified basis strictly.

Attachment 4 Details about the property appraisal list

Fair value measurement

Investment properties of Syntec Construction Public Company Limited and its subsidiaries used in business operation as of December 31st, 2022 (as detailed in the consolidated financial statements) are as follows

(unit: Baht)

Property Type	Nature of Ownership	Cost Price	Book Value	Appraisal Price	Appraisal Approach
1. Land	Owner	306,571,138	306,571,138	437,258,703	Comparison approach
2. Buildings, condominiums and building improvements	Owner	327,389,982	180,664,496	263,453,684	Comparison approach and Cost approach
3. Furnishings	Owner	3,870,503	710,282	1,013,067	Comparison approach

Note: Details appear in Note 12 to the financial statements on Investment Property

Investment properties as of December 31st, 2022 consist of land, buildings, condominiums and building improvements and furnishings, appraised by an independent appraiser according to the market broach. Fair value measurement of the investment properties is categorized at level 2 and level 3 of fair value hierarchy in accordance with reports dated December 30th, 2022 and January 31st, 2023 respectively.



Attachment 5 The full version of the corporate governance policy and practice and the full code of business ethics.

The company has disclosed the full version of the corporate governance policy and guidelines // the full version of the Code of Business Conduct with content at <https://www.synteccon.com/assets/pdf/code-of-conduct-2023-en.pdf>



Attachment 6 Report of Committee

Report of Audit Committee

The Company's Audit Committee is appointed by the Board of Directors and consists of 3 independent directors which consists of

1. Mr.	Chaiwat	Atsawintarakul	Chairman of the Audit Committee
2. Miss	Benjawan	Sinkunakorn	Member of the Audit Committee
3. Dr.	Arichai	Ractham	Member of the Audit Committee

All of them are acknowledged as experts from several fields, having qualified knowledges and experiences, perform their duties independently as assigned by the Board of Directors to perform the function of reviewing the reliability of financial reports sufficiently. The company's Audit Committee have complied with the good practice guidelines of Good Corporate Governance, Risk management and Internal control system in accordance with the regulations of Securities and Exchange Commission and Stock Exchange of Thailand.

During the year 2022, the Audit Committee had the meetings with the management and related executives, Internal Auditors and Auditors including Auditors meeting without Executives in the meeting to discuss about Auditors' performance. The Audit Committee had regularly attended the meeting to consider and reviewing the scope of responsible matters 5 meetings in total. The minutes of the meetings and recommendations were proposed to the Board of Directors to approve the process as deem proper by the Board of Directors, followings are the summary of duty performance:

Review Financial Statement

The Audit Committee reviewed the important information of the Company's Financial Statement, both of Quarterly Financial Statements and Annual Financial Statements of the Company and its subsidiaries, accounting policy, Critical estimates based on generally accepted accounting standards, accuracy and completeness of data in the financial report. Disclosure of Financial Statements Significant accounting policies and estimates in accordance with generally accepted accounting standards. Internal control in relation to financial statement preparation, as well as the important thing for the inspection. (Key Audit Matters) concern with Company and subsidiaries in the report of auditor as well as internal control and the preparation of financial statements. Considering the observations from the audit and review of the auditor's financial statements as well as the impact of changes in financial reporting standards. This is to ensure that the preparation of the financial reports complies with the requirements of laws and financial reporting standards. It

is accurate, reliable and timely. Including the disclosure of information sufficiently for the benefit of users of the financial statements. The auditor has reviewed and reported unqualified opinion.

Connected Transactions or Transactions that may have conflict of interest

The Audit Committee considered and reviewed the connected transactions of Company and its subsidiaries before propose to consider by the Board of Directors. The collation shall be the notification of Securities and Exchange Commission and Stock Exchange of Thailand as well as the guideline of relevant law provisions. Such transaction was in line with the general trade condition without cause of benefit transfer and with fairness and rationality. The information was disclosed accurately and sufficiently in line with the Good Corporate Governance Principle, and useful for the Company and shareholders.

Internal Control and Internal Audit System

The Audit Committee reviewed the efficiency and effectiveness of the internal audit system from the internal audit results, especially on matters that are significant and based on the adequacy assessment of internal control systems in accordance with the COSO (The Committee of Sponsoring Organizations of the Treadway Commission) framework, covering 5 areas which are:

- (1) Internal control (environment control)
- (2) Risk assessment
- (3) Control Activities
- (4) Information and Communication System
- (5) Monitoring Activities

including reviewed and proposed the opinions on the annual internal audit plan, the internal audit performance according to the annual internal audit plan and provided recommendations from the audit results. The Audit Committee considered the independence of internal audit operations, an adequate system of monitoring, supervision and internal control. As well as encouraging the auditors to receive training to increase knowledge to create professionalism, keep up with the changes in accordance with international standards for the internal audit profession, considering to approve the appointment, transfer, and evaluation of the manager's performance, also supported implementation of the system navigation digitalization applied in the verification process. The emphasis is placed on risk assessment at the activity level, covering work / units with a level of risk which may have a significant impact on the Company's operations. The summarized in related topics in this report and presented to the Board of Directors for consideration.

Good corporate governance and risk management

The Audit Committee reviewed and proposed about Good Corporate Governance Policy to comply with the requirement based on the notifications of Securities and Exchange Commission and Stock Exchange of Thailand and other relevant laws including to be aligned with the Company's business plan and strategies. The company still adheres to the good corporate governance policy divided into 5 areas: shareholders' rights, Equitable treatment of shareholders, Stakeholders' roles, Disclosure of information and transparency and the responsibility of the board, etc. The results of the continued implementation of the said policy, the company received evaluation results and awards on good corporate governance, such as the evaluation of corporate governance of Thai listed companies for the year 2021 at the "Excellent" or five-star level (5th year consecutive) since 2017-2021 from the Thai Institute of Directors Association, etc. For information on performance and awards related during the past year, such information has been disclosed in the Company's annual report.

For reviewing the suitability of the risk management process, evaluation and risk mitigation guidelines. Follow-up shall be in accordance with the specified criteria by suggesting to prepare risk management tools. The readiness of personnel to support rapid change including information technology risk management Cyber threat incident which may have an impact on the security of the Company's information system. In order to ensure that The Company's business operations have appropriate risk management guidelines and measures. In accordance with the business operations of the company, the sufficiency of the risk management system under the management of Risk Management Committee and related working groups along with enhancing the implementation of the aforementioned principles sufficiently, such information about the risk factors have been disclosed in the Company's annual report.

Certified Public Accountant (CPA)

The Audit Committee considered selection of the certified auditors of the Company by considering from the qualifications, experience in performing duties, skills, knowledge, abilities, adequate resource efficiency independence in accordance with the auditor's ethics by the Federation of Accounting Professions and the requirements of the Securities and Exchange Commission including the performance of the auditors in the past years as well as providing relevant suggestions to the Board of Directors. For the auditor's remuneration has considered the scope of responsibilities, remuneration for the auditor of other comparable companies. During the past year, the Company did not employ other than auditing the Company and its subsidiaries. The Audit Committee resolved to the Board of Directors to propose to the Annual General Meeting of Shareholders for approval to appoint Karin Audit Co., Ltd as the certified auditor of the Company and subsidiaries and remuneration for the year 2022

Implementation on Relevant Rules and Regulations

The Audit Committee reviewed the Company's business operations or execution according to relevant laws such as Securities and Exchange Act, Public Limited Companies Act, and other laws relevant to the Company's business operations. By considering based on the performance of Compliance Department, the audit results of the internal auditors, certified auditors and the risk management report from the Risk Management Committee. Follow-up the compliance to "Self-Assessment on Anti-Corruption Measures" "Thai Private Sector Collective Action Coalition Against Corruption Project" acknowledged the conclusion of complaints and whistle-blowing to ensure consistency, the compliance with The Personal Data Protection Act (PDPA), this is to ensure the effectiveness of the evaluation, monitoring and control of individuals. responsible as well as suggesting the company to create knowledge and understanding Governance process suitable for business conditions.

The Audit Committee performed their duties and responsibilities as assigned and identify according to the audit committee charter carefully, prudently, transparently and independently. Also applied various expertises and adhered to the moral principles for the benefits of all stakeholders equally. And placing great importance on the Company and its subsidiaries.

The Audit Committee considered the financial reports were prepared showing significant information accurately, completely and reliably. The certified auditors were independent and performed duties professionally. There was ongoing the disclosure of data sufficiently, development of risk management processes, good corporate governance, internal control systems and various changes were tracked to be ready to encounter the risks that may arise in the future.



(Mr. Chaiwat Atsawintarangkul)

Chairman of the Audit Committee

The Responsibility for the Financial Reporting of the Board of Directors

The Board of Directors is responsible for the financial statements of Syntec Construction PCL. and its joint ventures as well as financial information presented in the annual report. The financial statements were prepared in accordance with financial reporting standards pursuant to the Accounting Act B.E.2543 and the applicable requirements of the SEC and SET. Appropriate accounting policies have been applied and observed continually and discretion has been duly exercised on their preparation. Significant information was adequately disclosed in the financial statements on which the auditor has audited and unconditionally made the auditor report.

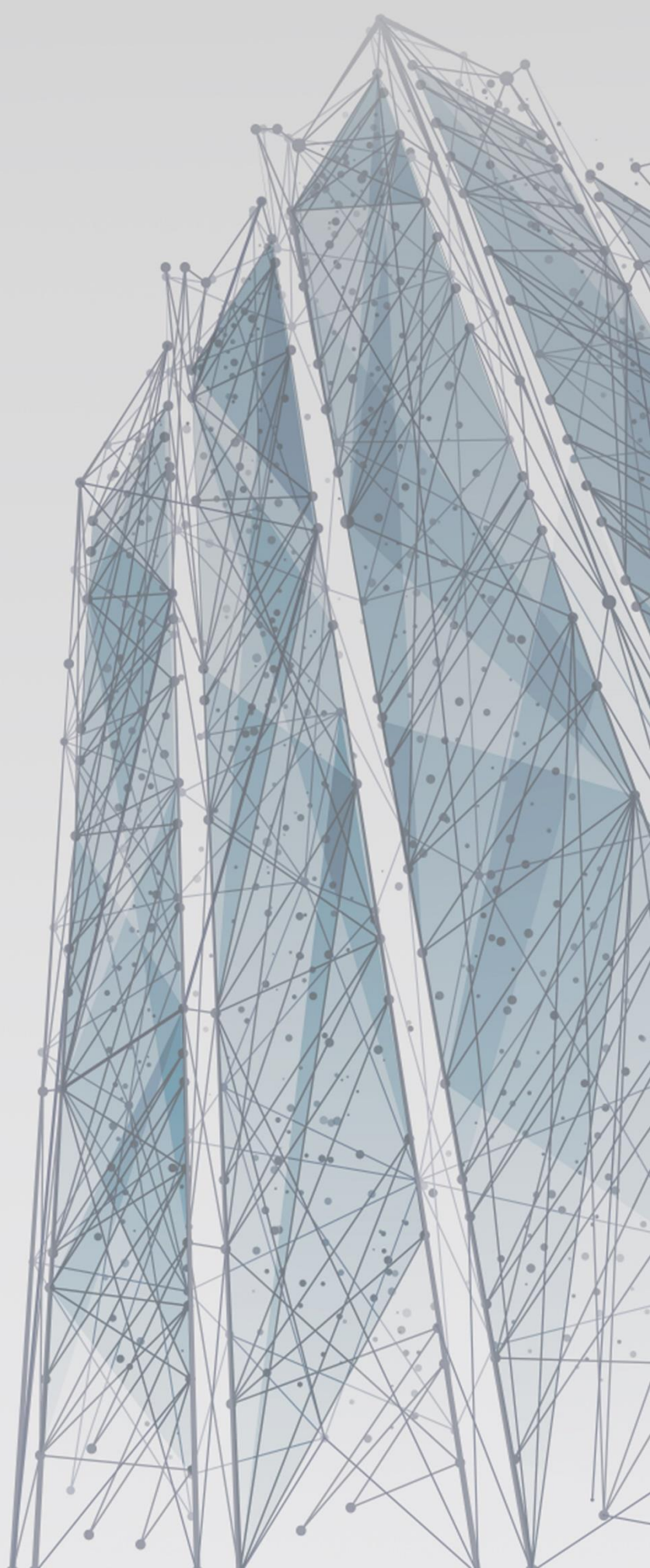
The Board of Directors is in charge of supervision and maintenance of effective risk management and internal control system to ensure that accounting information is entered correctly, completely, timely and adequately to maintain assets and to significantly prevent dishonest practices or irregularity. In this regard, the Board of Director has appointed the Audit Committee consisting of independent directors who are not the executive member, to be in charge of the audit on the quality of financial reports, internal control system and internal audit to ensure that they are carried out efficiently and effectively. The Audit Committee's comment is also shown in this annual report.

The Board of Directors is of the opinion that the internal control system and the internal audit of the Company are within satisfactory level to be able to establish confidence that the financial statements of Syntec Construction PCL. and its joint ventures for the year ended December 31st, 2022 are materially correct in accordance with the generally accepted accounting principles.



Mr. Somchai Sirilertpanich

Chief Executive Officer



SYNTEC

บริษัท ซินเท็ค คอนสตรัคชั่น จำกัด (มหาชน)

555/7-11 ซอยสุขุมวิท 63 (เอกมัย) ถนนสุขุมวิท แขวงคลองตันเหนือ
เขตวัฒนา กรุงเทพมหานคร 10110