



*“Accelerating towards business sustainability”*



**Form 56-1 One Report**

# **Annual Report 2023**

PSG Corporation Public Company Limited



# Table of Contents

- 4 Vision / Mission / Corporate Values
  - 6 Chairman and CEO Message
  - 8 Board of Directors
  - 10 About PSGC
  - 11 Key Performance in 2023
  - 12 Financial Highlights
- 

## Part 1

### 13 Business Operation and Operating Performance

- 14 1. Business Structure and Operations
  - 29 2. Risk Management
  - 35 3. Business Commitment to Sustainability
  - 50 4. Management Discussion and Analysis (MD&A)
  - 56 5. General information and Other Material Facts
- 

## Part 2

### 58 Corporate Governance

- 59 6. Corporate Governance Policy
  - 70 7. Corporate Governance Structure and Material Facts Related to the Board, Subcommittees, Executives, Employees and Others
  - 84 8. Report on Key Operating Performance Related to Corporate Governance
  - 92 9. Internal Control and Connected Transactions
- 

## Part 3

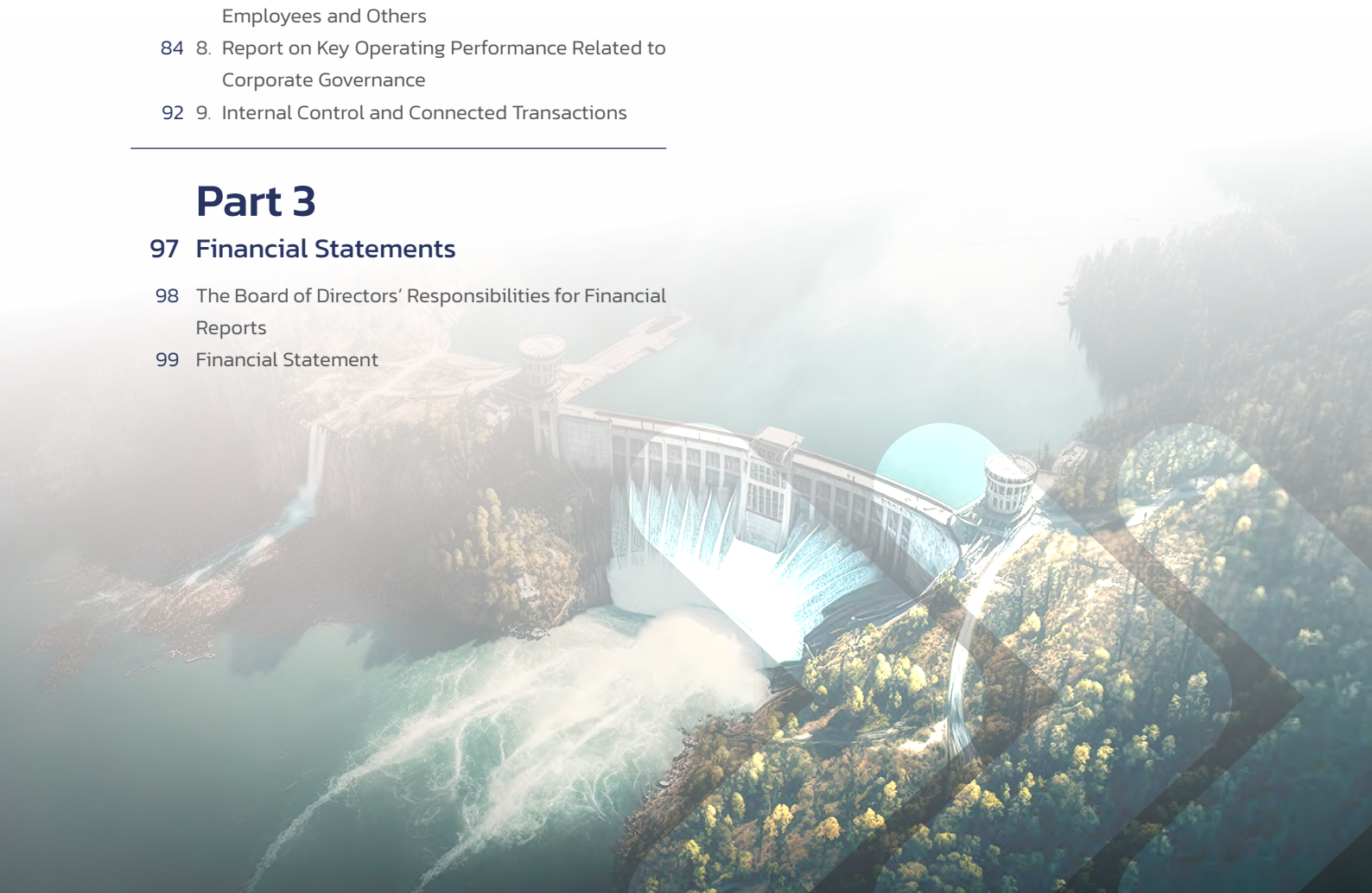
### 97 Financial Statements

- 98 The Board of Directors' Responsibilities for Financial Reports
- 99 Financial Statement

## Part 4

### 156 Certification of Information

- 157 Certification of Information
- 158 **Appendix 1:**
  - Profiles of the Board of Directors
  - Profiles of the Executives
- 174 **Appendix 2:**
  - Details of the Directors of Subsidiaries
- 176 **Appendix 3:**
  - Profiles of the Head of Internal Audit and Head of Compliance
- 180 **Appendix 4:**
  - Operating Assets and Details of Asset Appraisal
- 182 **Appendix 5:**
  - Corporate Governance Policy, Practice Guideline, and Business Code of Conduct
- 184 **Appendix 6:**
  - Report of the Audit Committee
- 187 **Appendix 7:**
  - Report of Other Sub-Committees



# Vision, Missions and Corporate Values

The Company’s vision, missions and corporate values are founded on its commitment to value creation, competitiveness, good governance, corporate responsibility and agility as detailed below.



## Vision

**To evolve into a regional corporation  
 focused on multi-industry investments and  
 unlock long-term value for sustainable growth.**



## Missions

To create a sustainable, multi-generational institution with strong governance based on integrity, ethics, and compassion.

1. Provide professional services using core skills in engineering and business development.
2. Develop and continuously optimize core competency in investment evaluation and execution to ensure sustainable returns.
3. Adhere to good corporate governance principles and conduct business with integrity and accountability to stakeholders and society at large.

## Corporate values

### **P**ERFORMANCE

Relentless attention to the task at hand to deliver the results we promise for our partners and stakeholders.



### **S**TRATEGIC

Methodical and data driven decision making.



### **G**ROWTH

Proactively expanding on opportunities and solutions to meet ever evolving challenges.



### **C**OMMITMENT

Unwavering dedication to a course of action and target



# Chairman and CEO Message




**Mr. Van Hoang Dau**

Chairman and  
Authorized Director

**Dear Shareholders, Stakeholders, and Partners,**

*As we reflect on the past year, PSGC has navigated challenges, achieved significant milestones, and laid a robust foundation for the future. In 2023, PSGC's construction contracts remained on schedule adding to the Company's profitability, in addition, the Company was able to secure a new construction project bringing the accumulated backlog to over 10,000 MB. These accomplishments have generated substantial revenue, positive cash flow, and profitability in a relatively short period of time providing a solid groundwork for PSGC's continued journey.*

Our commitment to progress is unwavering. On the corporate front, we have implemented progressive policies, enhancing employee compensation and benefits, fostering a competitive and well-rounded workforce. Initiatives to upskill our teams through training and recruitment of fresh talent are underway bringing in new perspectives and opportunities. Risk assessments and rigorous internal control policies have been updated, emphasizing our dedication to accountability and transparency.

Recognizing the evolving landscape, PSGC acknowledges the need for strategic shifts on the business front. While we continue to execute construction and engineering contracts, the changing landscape necessitates diversification in order to enhance shareholder value. The Company has built a well rounded business development team of analytical thinkers with experience in a wide range of industries, allowing the Company the ability to explore and assess a myriad of opportunities that will bring the highest returns to our shareholders. A strong business development team, coupled with the Company's current stable cash position provides a firm foundation to take advantage of such opportunities.



**Mr. David Van Dau**

Chief Executive Officer  
and Authorized Director

#### Diversification into Renewable Energy:

Building upon PSGC's construction expertise, we have strategically expanded into promising new markets for long-term growth. Driven by the global imperative to transition towards cleaner energy sources, we explore diversification into renewable energy solutions. The Company has commissioned feasibility studies for solar power and pumped storage hydropower (PSH) projects in the Lao PDR to strategically position PSGC and enable it to capitalize on the growing demand for renewable energy integration and grid stabilization in the region, aligning with current ESG trends. Although PSH is still in the early stages of development for the CLMV region, we remain steadfast in development of the opportunity as neighboring countries look to decarbonize to a greener future.

#### M&A Opportunities:

To drive long-term expansion strategies and sustainable growth, PSGC continues to pursue mergers and acquisitions (M&A). These include construction or related sectors, or other sectors which will ultimately enhance shareholder return and will bring about sustainable growth. PSGC is receptive and has also been pro-actively exploring several investment opportunities in Thailand and the wider ASEAN region.

In closing, we express sincere gratitude to all stakeholders, reaffirming our commitment to delivering a company with robust fundamentals and long-term growth potential. Now that the Company is in stronger financial health and armed with a capable business development team, PSGC is poised and ready to accelerate our growth towards business sustainability!

Thank you for your continued trust and partnership.

**Best Regards,**

## Board of Directors



**Mr. Van Hoang Dau**

Chairman of the Board of Directors  
Authorized Director



**Mr. David Van Dau**

Director  
Chairman of Executive Committee  
Member of Risk Management Committee  
Member of Nomination and  
Remuneration Committee  
Authorized Director  
Chief Executive Officer



**Pol. Gen. Chaiwat Getvorachai, Ph.D.**

Independent Director  
Chairman of Audit Committee



**Khammany Inthirath, Ph.D.**

Independent Director  
Chairman of Risk Management Committee  
Member of Audit Committee



**Souphanh Keomixay, Ph.D.**

Independent Director  
Chairman of Nomination and Remuneration  
Committee





**Mr. Prapas Vichakul**

Independent Director  
Member of Audit Committee



**Mr. Nopadol Intralib**

Independent Director  
Member of Risk Management Committee  
Member of Nomination and  
Remuneration Committee



**Darnp Sukontasap, Ph.D.**

Independent Director  
Member of Audit Committee



**Mr. Dhana Bubphavanich**

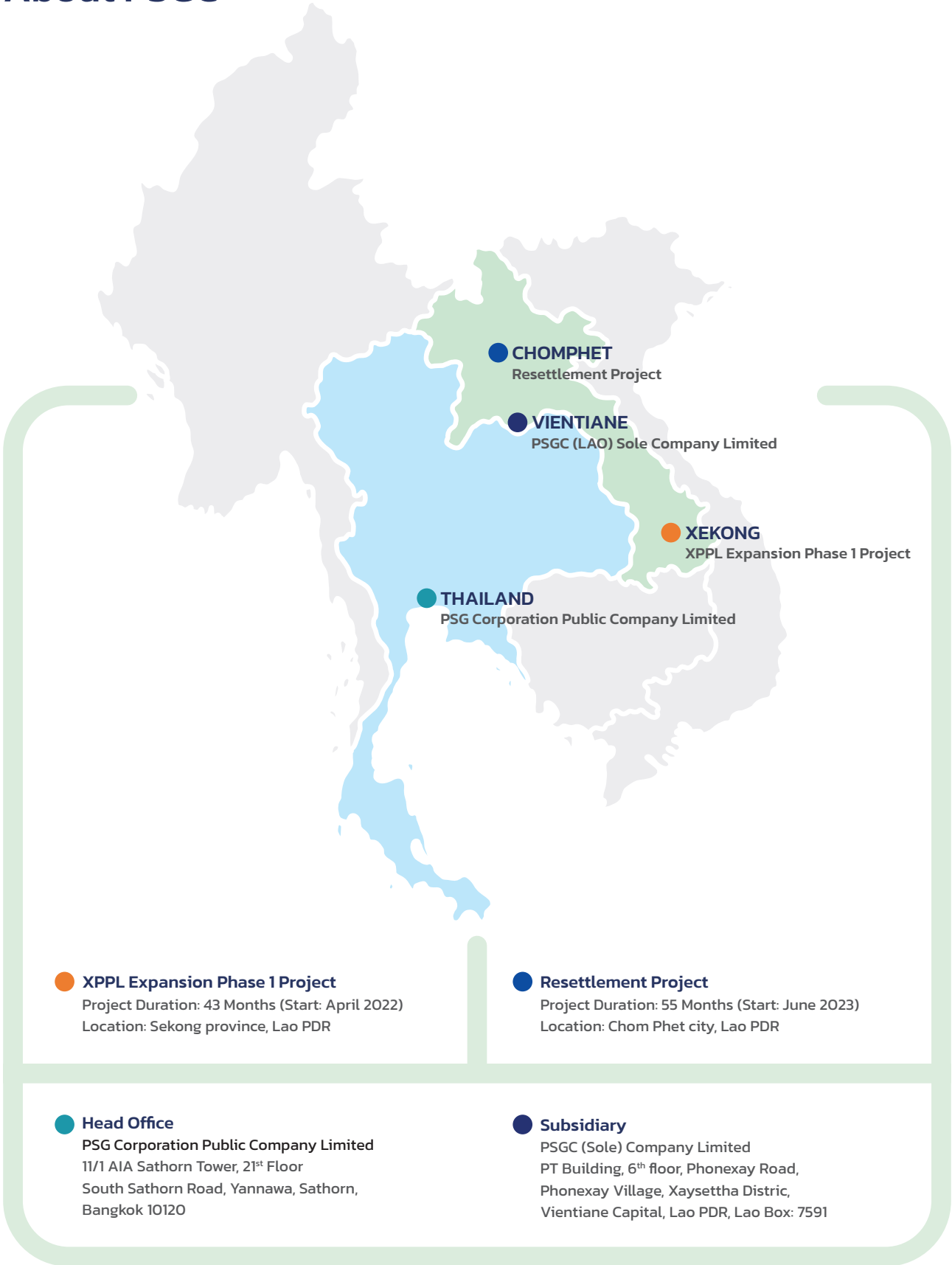
Director  
Member of Executive Committee



**Chaiyod Chirabowornkul, Ph.D.**

Director  
Member of Executive Committee

# About PSGC



## Key Performance in 2023

### Revenues

Baht **2,750.8** Million

Revenues increased **162%** from the previous year, consisting of income from construction contracts of Baht **2,734.6** million, and other income of Baht **16.2** million

### Earnings per share

**0.0203** Baht per share

In 2023, the Group had an earning per share of Baht **0.0203** increasing from Baht **0.0083** per share of 2022.

### Assets

Baht **3,933.4** Million

The major increase was from current assets such as trade and contract assets moving in line with the construction work progress

### Increased Total Backlog value to

Baht **9,500.0** Million

### Profit for the year

Baht **1,316.4** Million

The Group was significantly more profitable compared to the operating performance of the previous year. In 2023, the Group had a profit of Baht **1,316.4** million. In 2022, the Group had a profit of Baht **540.5** million.

### Return on Equity (ROE)

**54.9%**

In 2023, the Group had shareholders' equity of Baht **3,057.0** million compared to Baht **1,738.2** million of 2022. Improvement in Return on Equity in line with achievement in profitability target.

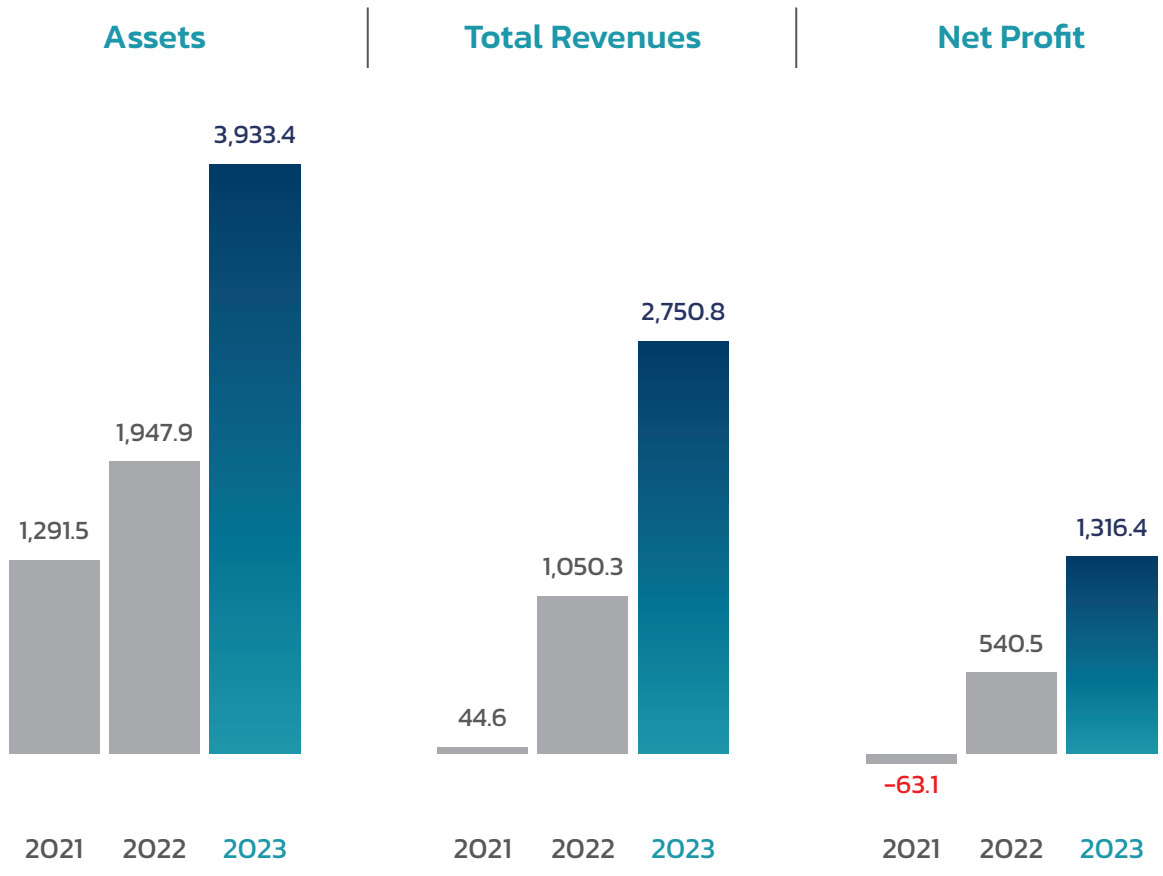
### Return on Assets (ROA)

**56.4%**

In 2023, the Group had total assets of Baht **3,933.4** million compared to Baht **1,947.9** million of 2022. Improved Return on Assets align with increased profit.

# Financial Highlights

	2021	2022	2023
Total Assets (Million Baht)	1,291.5	1,947.9	3,933.4
Total Liabilities (Million Baht)	91.2	209.7	876.4
Shareholders' Equity (Million Baht)	1,200.3	1,738.2	3,057.0
Total Revenues (Million Baht)	44.6	1,050.3	2,750.8
Net Profit (Million Baht)	- 63.1	540.5	1,316.4
Earning per share (Baht)	- 0.003	0.0083	0.0203
<b>Financial Ratios</b>			
ROA (%)	- 7.6%	33.4%	56.4%
ROE (%)	- 9.3%	36.8%	54.9%



Part

1

Business operations and operating Performance



# 1. Business structure and operations

## 1.1 Business strategy and operations

PSG Corporation Public Company Limited, (“the Company”)<sup>1</sup> provides Engineering Procurement Construction (EPC) services or Lump Sum Turnkey (LSTK) services to civil engineering projects, industrial construction projects, superstructure projects, installation projects and M&E engineering projects for over 40 years. Its portfolio encompasses medium-size to large scale projects, such as factory buildings, warehouses, office buildings, shopping malls, commercial buildings, residential buildings, condominiums, hospitals and advanced M&E projects for utilities and machinery installation. The Company is certified ISO 9001: 2015 from MASCI.

### 1.1.1 Vision, missions and corporate values

The Company’s vision, missions and corporate values are founded on its commitment to value creation, competitiveness, good governance, corporate responsibility and agility as detailed below.

#### Vision

To evolve into a regional corporation focused on multi-industry investments and unlock long-term value for sustainable growth.

#### Missions

To create a sustainable, multi-generational institution with strong governance based on integrity, ethics, and compassion.

1. Provide professional services using core skills in engineering and business development.
2. Develop and continuously optimize core competency in investment evaluation and execution to ensure sustainable returns.
3. Adhere to good corporate governance principles and conduct business with integrity and accountability to stakeholders and society at large.

#### Corporate values

- **PERFORMANCE** : Relentless attention to the task at hand to deliver the results we promise for our partners and stakeholders.
- **STRATEGIC** : Methodical and data driven decision making.
- **GROWTH** : Proactively expanding on opportunities and solutions to meet ever evolving challenges.
- **COMMITMENT** : Unwavering dedication to a course of action and target.

### 1.1.2 History and developments

The Company was founded on April 10, 1981, with registered capital of 1 million baht. The Company operates a construction/construction contracting business for factory buildings and M&E engineering projects.

In 2006, the Company was listed on the mai and started its first day of trading on September 28, 2006, at an IPO price of 2.80 baht and par value of 1 baht. The Company then expanded its construction portfolio to other project categories.

In 2009, the Company was certified ISO 9001:2008 which reflects its effective and efficient operational capabilities of both internal and external departments.

In 2015, the Company expanded its business objectives from 18 to 39 items to align with its projected business expansion which also includes energy, power plant and nano finance businesses. The Company’s ticker was changed from “TIES” to “T”.

In 2017, the Company changed its name to “T Engineering Corporation Public Company Limited”

In 2021, the Company changed its name from “T Engineering Corporation Public Company Limited” to “PSG Corporation Public Company Limited” and changed its logo and official seal

On November 2, 2021, the Company changed its ticker on mai from “T” to “PSG”.

## in 2022

- The Company entered into an agreement for the construction of XPPL Expansion Phase 1 Project with project value of USD 239.9 million (excluded VAT). The Company will provide turnkey construction services, including construction and improvement of logistic routes and construction of buildings and facilities to support production capacity expansion of coal.
- The Company and the government of Lao PDR, through Ministry of Planning and Investment, Investment Promotion Department, entered into an MOU to conduct a feasibility study of pumped storage hydroelectric power projects in Lao PDR. The MOU has granted the Company with exclusive rights to conduct a feasibility study on pumped storage hydroelectric power projects in 214 potential sites across Lao PDR. The MOU also grants further right to develop locations deemed economic.
- The Company and Keppel Energy Pte Ltd (“KE”) entered into an MOU to conduct a feasibility study on renewable energy export from Lao PDR to Singapore. The said MOU aligns with a bilateral MOU on energy cooperation between Lao PDR and Singapore signed on September 28, 2022. The Company and KE are officially appointed and supported by the governments of Lao PDR and Singapore to carry out a feasibility study regarding renewable energy export from pumped storage hydroelectric power projects and selected solar farms in Lao PDR to Singapore. The undertaking will create a foundation for transborder power purchase which is an integral part of a bilateral cooperation on energy between Lao PDR and Singapore.

## Major developments in 2023

- In May 2023, the Company signed the Turnkey Contract for Resettlement Development Site Construction with carry out the construction of a new community and basic infrastructure construction work, which is located in Chom Phet city, Lao PDR, with a project value of Baht 5,000 million (excluded VAT) and an operating period of approximately 55 months.
- In August 2023, the Company gave a donation of Lao KIP 300 million to the government of the Lao PDR to support and provide relief to villagers impacted by the catastrophic flooding in more than 8 provinces in the Lao PDR, in accordance with the Company’s ESG directive. We would like to contribute to raising the standard of living and improving the quality of life for the community, society, and surrounding areas of the construction project that the Company has operated.
- The Company started construction work in multiple areas under the XPPL Expansion Phase 1 project in Sekong Province in the fourth quarter of 2023. As a result, a notable rise in income was recognized in proportion to the success of the construction.



### 1.1.3 Corporate fundraising

As of December 31, 2023, the Company utilized funds raised from a private placement for the following objectives. The information regarding the utilization of funds had been made publicly available.

Objectives	Balance as of December 31, 2022 (Brought forward)	Amount utilized as of December 31, 2023	Balance as of December 31, 2023
1.1 Capital for contracted projects in 2021-2023	875,063,843.0	108,731,438.0	766,332,405.0
1.2 Working capital from business operations	-	-	-
<b>Total</b>	<b>875,063,843.0</b>	<b>108,731,438.0</b>	<b>766,332,405.0</b>

### 1.1.4 General Information

#### Abbreviation for securities trading

- PSG

#### Company name in Thai

- บริษัท พีเอสจี คอร์ปอเรชั่น จำกัด (มหาชน)

#### Company name

- PSG Corporation Public Company Limited

#### Type of business

- Construction contracting services for the projects in the Engineering Procurement Construction (EPC), civil engineering work and engineering systems

#### Address of Head office

- 11/1 AIA Sathorn Tower 21<sup>st</sup> floor, South Sathorn Road, Yannawa, Sathorn, Bangkok 10120

#### Registration number

- 0107548000501

#### Registered capital

- 64,992,438,156.00 THB with a par value of THB 1.00 per share

#### Paid-up capital

- 64,992,438,156.00 THB with a par value of THB 1.00 per share

#### Total Number of Shares

- 64,992,438,156 shares

#### Foreign Limit

- 49%

#### % Shares in Minor

- 19.51%

#### Shareholders (% Free Float)

- (as of March 12, 2024)

#### Website

- [www.psgcorp.co.th](http://www.psgcorp.co.th)

#### Telephone

- +66 2018 7190 – 8

#### Fax

- +66 2018 7199

#### Company secretary

- Telephone: +66 2018 7190 – 8

Fax: +66 2018 7199

Email: [com.sec@psgcorp.co.th](mailto:com.sec@psgcorp.co.th)

#### Investor relations

- Telephone: +66 2018 7190 – 8

Fax: +66 2018 7199

Email: [ir@psgcorp.co.th](mailto:ir@psgcorp.co.th)



## 1.2 Nature of business

### 1.2.1 Income structure

In 2023, the Company had a total income of Baht 2,750.8 million, with revenue classified by the nature of the project as follows: -

Income	2023		2022		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Total income generated from construction contracts	2,734.6	99.4	1,029.8	98.0	18.5	41.5
Other income	16.2	0.6	20.5	2.0	26.1	58.5
<b>Gross income</b>	<b>2,750.8</b>	<b>100.0</b>	<b>1,050.3</b>	<b>100.0</b>	<b>44.6</b>	<b>100.0</b>

### 1.2.2 Product information

#### (1) Characteristics of products or services

PSG Corporation (Public) Company Limited offers construction services for projects in the Engineering Procurement Construction (EPC) or Lump Sum Turnkey (LSTK) categories and construction work for large-scale projects. The Company can undertake jobs both domestically and internationally within the ASEAN region. The Company's business can be divided into two main types, as follows:

##### 1.1) EPC project

The Company offers a comprehensive range of EPC project services that include initial design work, detailed design work in engineering, procurement of materials, tools, and machines, and complete construction, including testing before delivery to customers. The Company provides these services for industrial plants, power plants, petrochemical plants, large buildings, and various infrastructure works such as roads, bridges, electricity distribution, and water supply systems.

##### 1.2) Build-to-design construction project

The Company offers construction services for projects in the category of construction contractors according to customer-approved drawings. These services are accepted and satisfied by various industries, including industrial factories, petrochemical plants, hospitals, etc. The Company strongly emphasizes delivering high-quality products to customers, meeting delivery deadlines, and

utilizing a certified service-based system with construction project management. The Company has satisfied customers by adhering to the ISO9001:2015 standard.

In 2022, the Company expanded its business direction by accepting construction projects in neighboring countries in the ASEAN region, in addition to its original focus on domestic projects. In the second quarter of 2022, the Company gradually recognized revenue from these overseas projects. The Company established a subsidiary in Lao PDR to support its international expansion. Furthermore, the Company is exploring new business opportunities, including ventures related to clean energy (renewable energy), to diversify its revenue streams in the future.

#### (2) Marketing and Competition

##### 2.1) Competition Strategy

The Company's competition strategy and business operation policy can be summarized as follows:

- **Executive Competencies and Experiences** The Company's management team consists of individuals with extensive experience in engineering and a variety of other industries. They possess knowledge, expertise, a deep understanding of the business, and strong relationships with business partners and customers in various industries. These competencies and experiences are crucial in driving the Company's growth and success and pursuing new business opportunities.

- **Personnel Team Capabilities** The Company boasts a highly qualified construction team with over 40 years of experience. The Company has a policy of promoting and developing its personnel by providing training to enhance their capabilities and raise their awareness of quality at various levels. This ensures that they can work efficiently. Additionally, the Company follows a team-based management approach to ensure that all management is aligned in the same direction.
- **Quality service and ISO 9001:2015 standard.** The Company prioritizes high work quality standards and has established a system to regularly check the quality of work during construction before delivering the final product to customers. A dedicated quality inspection unit, comprising Quality Control, Quality Assurance, and Quality Systems, inspects work quality from the drawing process until the final stages before delivery to the customer. By focusing on high work quality, the Company aims to satisfy customers and build long-term relationships, evidenced by the number of returning customers using the Company's services.

The Company has been certified for its service system according to the industry standard ISO 9001:2015 (MASCI), which ensures the quality of the entire production process and reduces redundant work steps. As a result, the Company has a low rate of defective work. In 2018, the Company improved its quality management to comply with the ISO 9001:2015 quality management system, which covers the scope of contracting services, including the construction of factory buildings, warehouse buildings, residential buildings, hospital buildings, and public utilities. This system allows the Company to efficiently and effectively control and measure internal and external performance. The Company provides prompt service by delivering completed construction work on time and according to customers' needs. The Company has an efficient plan that covers the bidding process, construction, review of job specifications, and customer requirements. Additionally, the Company provides consulting services and advice to customers, from project design to choosing suitable construction materials, as well as post-delivery services to assist customers in case of problems.

- **Efficient Procurement System for Optimal Operations and Resource Management** The Company has implemented an efficient procurement system with transparent procurement and hiring processes, fostering competition among building material suppliers and subcontractors to keep costs reasonable. Additionally, the Company has introduced the Mango ERP (Enterprise Resource Planning) for Construction system to improve resource management. This operational information system is used from the beginning of project bidding through evaluation and project closure, ensuring optimal management throughout the construction process.
- **Marketing and Public Relations Strategies** The Company has a marketing policy that focuses on both retaining existing customers and expanding services to new customers, with a particular emphasis on business sectors with high growth potential. The marketing team places great importance on cultivating long-term customer relationships and employs Customer Relationship Management (CRM) to meet customer needs. Customer satisfaction is a key metric with the Company prioritizing quality work as the foundation for building trust and generating repeat business. The Company's proven track record has led to high levels of customer satisfaction, resulting in recommendations to other potential customers and opportunities to undertake larger projects.

## 2.2) Pricing policy

For EPC projects, the Company closely studies and examines the details and work patterns outlined in the Front-End Engineering Design (FEED) documents to design the necessary work. The engineering team assesses the construction work required and selects a suitable build-to-design construction contractor. The Company also thoroughly reviews the construction drawings, customer requirements, and on-site surveys to accurately estimate the construction work needed for the project.

After determining the necessary construction volume, the Company checks the price of construction materials and identifies suitable subcontractors for each part of the construction project. A preliminary bid is made to estimate the construction cost before gathering further information and preparing a detailed quotation to present to the customer (For more details, please see "provision of products and services").

In times of significant volatility in construction material prices, the Company may propose alternative pricing options or negotiate with customers to take responsibility for purchasing construction materials in specific projects, as appropriate. The Company has no policy on the lowest bid to win a contract. The Company prioritizes maintaining the quality of construction work to meet industry standards and benefit its customers. Fair and appropriate pricing is critical to maintain good long-term relationships with customers and ensure the Company can operate its business successfully over the long term.

### 2.3) Target Customers and Distribution Channels

#### Target Customers

The Company has recently expanded its business operations by accepting construction projects in neighboring ASEAN countries, with a focus on foreign customers seeking EPC or Lump Sum Turnkey (LSTK) services for large-scale industrial, power, and petrochemical plants, as well as infrastructure projects like roads, bridges, electricity distribution, and water supply systems. The Company also serves domestic customers as a general build-to-design construction contractor for large projects, offering a broad scope of services across multiple business sectors, including high-rise buildings for residential, office, and retail use, as well as hospitals and petrochemical groups.

The Company has the policy to pursue new business opportunities based on the growth potential of various sectors and prevailing economic conditions.

#### Company Operating Procedures

When the Company receives an invitation to bid on a project or expresses interest in participating in an auction, the engineering service department will contact the customer to coordinate the necessary documents and confirm the requirements for participation, including obtaining Front End Engineering Design (FEED) documents or other construction-related documents as needed to estimate the scope of work and construction costs.

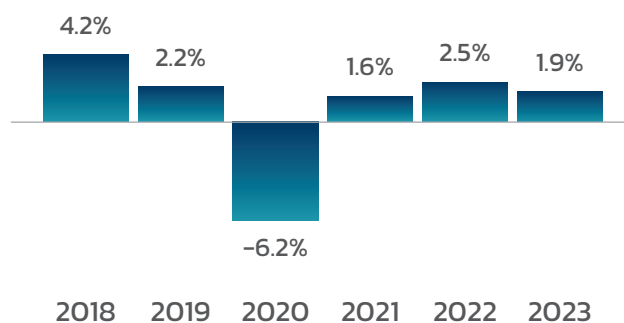
The construction contract will be a lump sum contract with a predetermined project schedule, including prepayment requirements and payments based on periodic or monthly progress assessments.

Typically, the project owner will require a retention bond of 5 percent of the construction contract price, which will be held during the warranty period, usually 12-24 months from work completion.

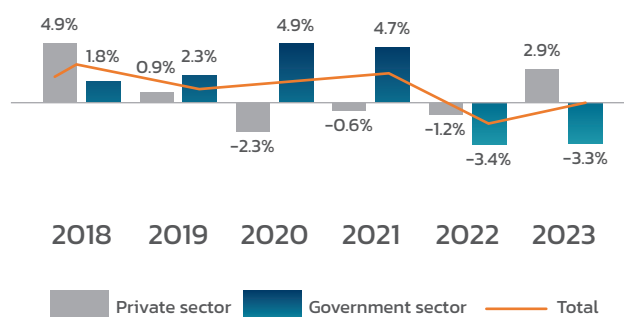
### 2.4) Industry Overview

GDP growth dropped to 1.9% in 2023, down from 2.5% in 2022 on ongoing weakness in exports of industrial goods and a drop off in government spending and investment. However, private-sector consumption and investment held up in the year, as did exports and services, while the agricultural sector, retail and wholesale businesses, transport, and accommodation industries all performed well, in part thanks to continuing recovery in the tourism sector.

**The Growth Rate of Gross Domestic Product (GDP)**



**The Growth Rate of Total Investment in Construction Sector**



Source: Thai Economic Performance by Office of the National Economic and Social Development, February 19, 2024

In the year, the overall value of the construction industry contracted by -0.6% from its 2022 level, when it had already shrunk by -2.4%. Declines were driven by delays to the 2024 budget and the resulting -3.3% decline in spending on public-sector construction, and as such, work on some government projects has been delayed. However, the volume of work undertaken by state enterprises increased with greater progress on a number of major infrastructure projects, including the buildout of new metro lines. In addition, the market for private-sector construction expanded by 2.9% on strength in both the non-residential segment (especially for industrial and commercial units) and the residential market (including apartment blocks and detached houses). Nevertheless, construction of residential units remains under threat from a combination of worries over weak consumer spending power and high interest rates.

## 2.5) Competitors and Industry Competitiveness

### Industry Competitiveness

Competitive pressures remained intense in the industry through 2023, principally due to the following factors:

1. The volume of work undertaken by state enterprises picked up, mirroring the improving situation in the private sector for both residential and non-residential developments (most notably for industrial and commercial properties), but delays to the budget and the need for the new government to review state-backed projects meant that the public-sector segment remained depressed as work dried up and projects were delayed.
2. The domestic market for construction services is crowded, and this adds further to the pressures felt on prices and when bidding for projects. The quality of a company's work, its experience, the degree of customer satisfaction, its access to capital, and its ability to manage costs are all therefore important determinants of business competitiveness. In addition, the entry of highly competitive foreign players to the Thai market has added further to these pressures.

### Status and Competitive Potential of the Company

Regarding domestic competition, the Company is considered a medium-sized company with expertise in industrial plants and hospitals. It has a well-established reputation for its proficiency in system work and timely delivery of projects. Additionally, the Company has efficient cost management practices, providing it with a competitive edge. This allows the Company to be flexible in accepting construction works and to have negotiation power with construction material suppliers for favorable

prices and trading conditions, as the cost of construction materials is a primary expense in quality construction.

However, with regard to levels of competition in overseas markets, the Company has a relative advantage given its experience, expertise, and financial security, and the business is therefore well placed to undertake large-scale projects that are capital and technology intensive.

Moreover, because operations have been focused on overseas markets for the past 2-3 years, the business has been relatively unaffected by sluggish economic conditions or the competitive pressures prevailing in the domestic construction market. Indeed, in 2023, all construction projects undertaken by the Company were located in Lao PDR, where thanks to its corporate ability, experience, expertise, and financial status, the Company has been contracted to work on major projects.

### Industry Outlook and Future Competition

In 2023, the growth of construction sector will tend to continuously move with forecast overall growth according to the total construction investment value until 2024. This growth is mainly driven by the spending on government megaprojects particularly on projects connected the Eastern Economic Corridor (EEC) and the EEC transport infrastructure development plan especially on railway and road systems, including private sector's investment in both residential and commercial projects which have gradually improved with broader economic recovery. Furthermore, plant and industrial estate construction tend to improve by investment in infrastructure accelerated by public sector spending in particular on EEC projects.

At the same time, the rising cost of construction materials will drag on the industry over 2023-2025. This will be a result of: (i) recovery in demand, especially in 2024 and 2025; (ii) rising prices for imports of scrap and billet, which will move with the prices set on global markets; and (iii) the likely impact of extended geopolitical tensions on energy prices.

However, Thai contractors have been provided additional opportunities in overseas construction market, particularly in CLMV (Cambodia, Laos, Myanmar and Vietnam) countries, where the infrastructure investment has been continuous growing in order to respond economic growth and continuing urbanization, including the construction of industrial plants, offices and residential accommodations. Nonetheless, these opportunities are mainly restricted to large-scale contractors due to their financial strength, technological know-how, and local business connections in overseas markets.

In contrast, the risks and drawbacks of these opportunities in CLMV countries are their employment regulations may not comply with international standard; contracts' conditions may be uncertain, political instability in those countries may be high. The guideline and approach to reduce these risks and drawbacks are Thai contractors should seek partners from contractors and property developers in local supply chain in CLMV countries including local labor agencies so that Thai contractors can be continuously provided work or contracts.

Source: Industry Outlook 2022 – 2024 : Construction Contractor - Krungsri Research

Since the growth and business opportunities in domestic construction market have decreased and those in overseas construction market have continuously increased as mentioned above, the Company places importance on overseas construction market in CLMV countries in addition to domestic construction market. The Company considers the Company itself has readiness on capital, technology and business connection with local investors. Moreover, the CLMV countries are economic zones, where there are continuous growth rates. Since the beginning of 2022, the Company has changed its business direction by expanding construction projects to neighboring countries in order to increase the Company's revenue.

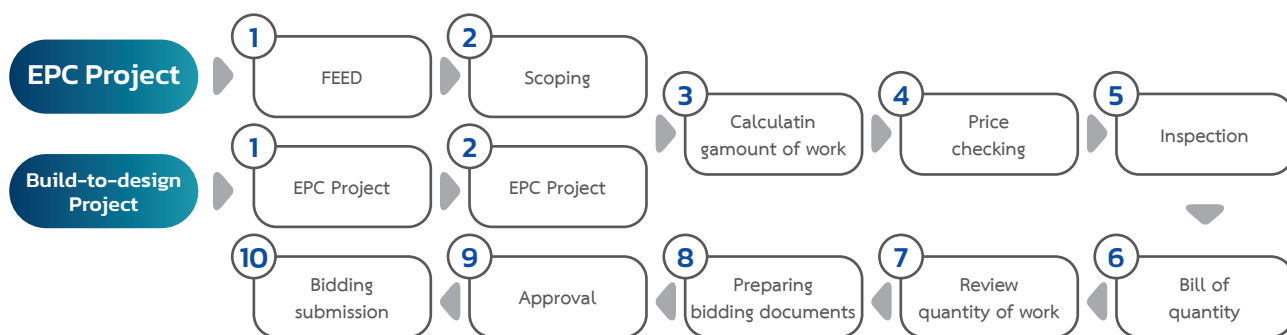
### (3) Procurement of Products and Services

#### 3.1) Selection of Construction Projects

When selecting a project, the Company conducts a preliminary assessment, considering various factors such as the project owner, type of work, project size and duration, availability of personnel, the amount of construction work currently available, and funding sources. Suppose a construction project passes the preliminary assessment, in that case, the Company will send Front End Engineering Design (FEED) documents or construction drawings and specific project requirements to the engineering department for further cost estimation and bidding.

#### 3.2) Evaluation for Bidding Price Proposal

Evaluation estimates the work and construction costs to prepare a bid proposal document. The appraisal process is critical to the Company's bottom line, as an overestimation of cost by the appraisal team may cause the Company to lose the bid, while an underestimation may lead to accepting the construction project at a loss. This process involves detailed inspection procedures, and the steps to be taken are as follows:



- **Estimation of work quantity (Steps 1-3)** After receiving the Front-End Engineering Design (FEED) document in the EPC type or construction drawings in the build-to-design construction type, according to various drawings and specifications of construction projects from customers, the engineering department separates the construction project into parts according to the construction work scope. These parts consist of steel structure, reinforced concrete structure, architectural work, and system work. Employees responsible for calculating the amount of work will evaluate these parts, which include a master plan, labor, construction materials, equipment,

subcontractors, and other necessary teams to ensure on time-completion and under specified conditions. The engineering department will also consider the actual site survey results and detailed explanations from customers.

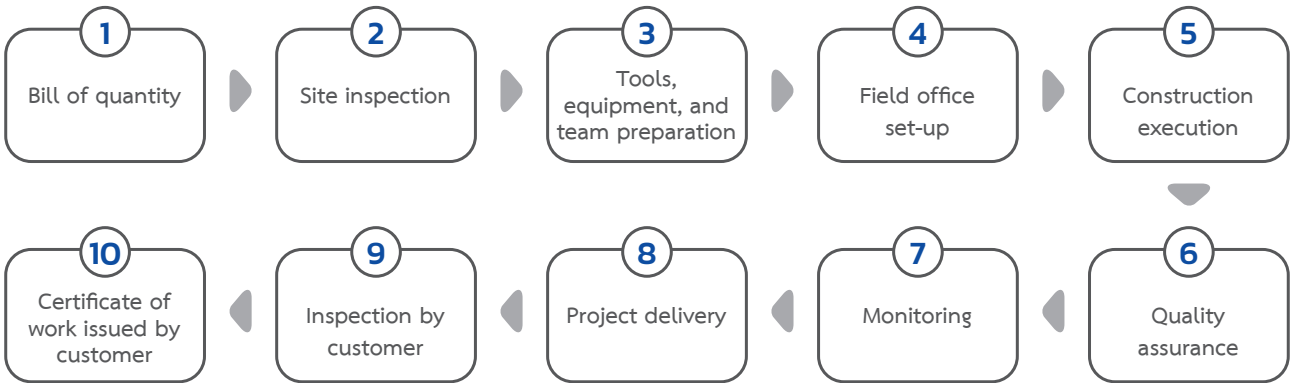
- **Price checking (Step 4)** After the engineering department officers calculate the amount of work, they will document it and deliver it to the procurement department. The procurement department will then check the prices of construction materials, equipment, subcontractors, and other necessary teams from the Company's list of approved suppliers who have passed the initial quality assessment.

- **Inspection and preparation of bill of quantity (Steps 5-7)** The results of the price checking will be reviewed by the engineering department for accuracy before preparing a bill of quantity. The bill of quantity will be reviewed again by the Senior Engineering Service Division Manager to ensure the correctness of the quantity of work.
- **Preparation of bidding documents (Step 8)** The Senior Engineering Service Department Manager and Director of Construction Management will conduct a meeting with relevant Vice President executives to jointly determine the operating profit ratio and prepare tender documents.

- **Approval and bidding submission (Steps 9-10)** The bidding documents will be sent to Inspection and Certification Engineering Group’s Deputy CEO for approval and proposal to the CEO. Once approved, the documents will be forwarded to the Engineering Service Department Manager to present to the customer.

**3.3) Execution of Construction Work**

Once the customer selects the Company to operate the construction project, all construction-related documents that have received a preliminary workload assessment from the engineering department will be sent to the project manager. These documents include a bill of quantities, a master plan, a detailed statement from the customer, and related documents. The project manager will oversee the construction process, which includes the following steps.



- **Reviewing bill of quantity (Steps 1-2).** Upon receiving the Bill of Quantity, Master Plan, details from the customer, and related documents, the project manager will review them and cross-check the details against the actual construction site. If discrepancies arise, the project manager will update the documents for accuracy. Once the documents are confirmed, the project manager will create a project management plan, staffing plan, tool plan and prepare a list of construction materials approved for use in the construction process. Additionally, payment plans, and other relevant plans will be created.
- **Preparing tools, equipment, and labor (Step 3)** After the project manager has prepared various plans, including those of project management, staffing, and tool, he or she will distribute them to relevant departments. The project engineers will supervise the construction plans, which have different duties and responsibilities depending on

the scope of work, such as steel structure work, reinforced concrete structure work, architecture, and system work. The foreman will then prepare the necessary human resources according to the amount of work specified by the chief engineer in each unit.

- **Preparing safety and supporting utilities (Step 4)** In addition to the agencies that supervise the construction process, the project management plan of the Company will also include a field administrative agency, which will provide a temporary office with utilities such as water, electricity, and telephone on the construction site. The agency will also assess the impacts on nearby areas and the environment to ensure they meet the standards set by the customers and the Company. This will help ensure that the construction site is safe and secure for workers and that the project is completed promptly and efficiently.

- Construction execution and safety check (Steps 5-7)** After the construction project has started, each step is monitored by the Quality Control, Quality Assurance, and Quality System, which are part of the project management plan. These entities are responsible for supervising construction work to ensure that they meet the standards and budget set by the customer and the Company and are corrected according to the procedures specified under the ISO 9001:2015 standard.
- Construction inspection (Steps 8-9).** Once the construction project is completed, the Company prepares a delivery letter and arranges an appointment with the customer or their representative to inspect the work. If defects are found, the project manager will perform corrective work, and the quality inspection department will recheck the revised work.
- Acceptance of construction work by the customer (Step 10)** After the defective construction work has been corrected to meet the customer’s expectations, the customer then issues a certificate of work to the Company. The Company retains all important construction documents from delivering the construction work to the customer for ten years.

**3.4) Construction materials, supplies, and suppliers**

The Company purchases all construction materials for the construction process from domestic distributors and has a policy of procuring materials that are transparent and meet the ISO 9001:2015 standard. When a construction project begins, the project manager coordinates with the Company’s procurement department, which is based at the head office, to purchase the necessary construction materials. The procurement department receives a list of materials the project manager verifies for construction and then procures them from construction material suppliers. The procurement department then presents the materials to the Chief Executive Officer for final approval.

The Company will only procure construction materials from suppliers on the evaluated list who score at least 80% or those who currently supply the Company and have received a score of not less than 70%. The Company assesses current construction material suppliers on the monthly appraisal list and evaluates new suppliers to be included on the appraisal list every six months. The criteria for evaluating current and new suppliers include the following considerations:

Current suppliers	New suppliers
1. Product quality	1. Product suitability to needs
2. On-time delivery	2. Product price compared to that of current suppliers
3. Product list errors during delivery	3. Payment terms
4. Product price errors	4. Punctual delivery time
5. Good corporate governance principles and ESG guidelines	5. Readiness of delivery
	6. Good corporate governance principles and ESG guidelines

**3.5) Sub-contractor procurement**

When carrying out construction projects in foreign countries, the Company primarily hires local sub-contractors to carry out the construction work and assigns skilled engineers to oversee and inspect the work quality of these sub-contractors. Before the start of the project, the engineering department assigns a sub-contractor and creates a bill of quantity, including preliminary cost estimation. However, before the start of the construction project, the project manager is responsible for rechecking the readiness of the subcontractors and ensuring compliance with the construction contract requirements.

For construction projects within the country, the Company is responsible for carrying out all main construction work for its projects, including steel and reinforced concrete work on its own. However, the Company hires sub-contractors to carry out all other work, including system constructions, architecture-related tasks and other specific tasks. The Company also assigns professional engineers to oversee and inspect the work quality of these sub-contractors. The Company follows the same procedures for defining and selecting subcontractors within the country as for projects abroad.

The Company has a policy of selecting subcontractors and material distributors that are transparent and accurate, following ISO 9001:2015 standards. The Company selects subcontractors from an evaluated list and assesses them based on their quality, on-time delivery, construction mistakes, and costs. The selected subcontractors must score at least 75%, and the Company evaluates subcontractors on the monthly appraisal list. The Company also evaluates new subcontractors every six months to be included in the appraisal list.

### 3.6) Construction tools and equipment procurement

The Company generally rents construction tools and equipment from nearby rental service providers who have passed the initial assessment from the Company. In assessing these providers, the Company considers the on-time and accurate delivery of the tools and equipment. The rental service provider for construction tools and equipment must score at least 80%, and the Company evaluates these providers on the monthly appraisal list. The Company also evaluates new rental providers for construction tools and equipment every six months to be included in the appraisal list.

The Company has a policy to supply construction tools and equipment rental providers that are transparent and accurate according to ISO 9001:2015 standards, as well as procurement of sub-contractors and construction material distributors. However, if any construction tools and equipment are in high demand and used, the Company will purchase them for future use.

## (4) Operating assets

Details regarding Appendix 4 can be found in this Annual Registration Statement/Annual Report 2023 (Form 56-1 One Report).

### Policy on Investing in Subsidiaries and Associated companies

The Company has a policy of investing in subsidiaries, considering various factors to support and promote businesses related to the Company's primary business.

As of December 31, 2023, the Company had associate companies.

## (5) Undelivered project

As of December 31, 2023, the Company had 2 projects under construction that have not yet been delivered. The total project value is US Dollar 239.9 million (Not including VAT), and the unrecognized income balance is US Dollar 135. million. and the total project value of Baht 5,000.0 million (Not including VAT), and the unrecognized income balance is 4,863.1 million.

## (6) Opportunities in new market

### Renewable Energy

Building upon our established construction expertise, the Company has strategically expanded into promising new markets to drive long-term growth and shareholders value. Driven by the global imperative to transition towards cleaner energy sources, the Company is exploring diversifying its business into renewable energy solutions. The Company has been actively engaged in feasibility studies for the development of solar power and pumped storage hydropower ("PSH") projects to be constructed in the Lao PDR targeting Lao's neighboring countries (e.g., Thailand, Vietnam, China, Singapore, Cambodia) and domestic as the potential markets.

As countries increasingly adopt higher renewable energy targets, their need for electricity storage and grid stability solutions will rise proportionally. PSH emerges as the leading technology in this space, poised for global expansion due to its crucial role in the clean energy transition. PSGC actively pursues market opportunities within Laos and its neighboring markets to secure electricity buyers for potential projects and finalize feasibility studies. This focus on PSH solutions positions the Company to capitalize on the growing demand for renewable energy integration and grid stabilization in the region.



### Collaboration with Keppel’s Infrastructure Division

Following the execution of the Memorandum of Understanding (“MOU”) with Keppel Energy Pte. Ltd. on October 25, 2022, PSGC has progressed to complete the Pre-Feasibility Study for a hybrid renewable energy project comprising a PSH plant and a Solar photovoltaic (“PV”) plant to be located in a southern part of the Lao PDR. Preliminary studies indicate a potential installed capacity of 1,300 - 1,700 MW for the PSH plant and 2,900 - 3,800 MW for the Solar PV plant. The final installed capacity of both power plants remains subject to potential changes based on the findings of the detailed feasibility study.

It is important to note that the project is currently in the study phase. During this phase, PSGC is engaged in discussions with Keppel’s Infrastructure Division, a potential off-taker of the exported energy, to determine the project’s descriptions for conducting a detailed feasibility study. The detailed feasibility study will comprehensively assess the technical and financial viability of the project. The project’s development is contingent upon the positive outcomes of the detailed feasibility study and requires approval of an Importer License from the Electricity Market Authority of Singapore for Keppel’s Infrastructure Division to proceed. PSGC is committed to working collaboratively with Keppel’s Infrastructure Division to achieve a successful outcome.

### Collaboration with China Southern Power Grid Yunnan International Co., Ltd. (“CSG-YNIC”) for studying and developing PSH and other renewable energy projects in the Lao PDR for domestic use and exporting to neighboring countries.

On December 27, 2023, PSGC entered into a MOU with CSG-YNIC to initiate discussions and explore potential investment opportunities and collaborative efforts in developing PSH and other renewable energy projects in the Lao PDR. These projects would aim to provide clean energy for both domestic use and export to Lao’s neighboring countries. Currently, the joint development endeavors are in the initial exploration phase, with PSGC and CSG-YNIC jointly identifying potential markets and project locations. A primary focus is on tapping the export opportunity to the neighboring countries.

### M&A Opportunities

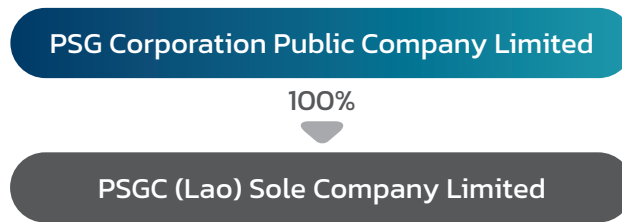
In pursuit of long-term expansion and sustainable growth, PSGC actively explores mergers and acquisitions (“M&A”) with a primary focus on the construction sector, related industries, and power generation or other sectors which will ultimately enhance shareholder return and will bring about sustainable growth. PSGC values targets that demonstrate strong corporate governance and sustainability initiatives, ensuring our investments directly support global trends and align with our commitment to long-term value creation for shareholders.



## 1.3 Shareholding structure

### 1.3.1 Shareholding structure of the group

As of December 31, 2023, shareholding structure of the Group is as follows:



#### Nature of business

The Company and its subsidiary provide Engineering Procurement Construction (EPC) or Lump Sum Turnkey (LSTK) services to civil engineering projects, industrial construction projects, superstructure projects, installation projects and M&E engineering projects in Thailand and Laos/Lao PDR.

#### Business of subsidiary

As of December 31, 2023, details of the Subsidiary are as follows:

<b>Name of subsidiary (Thai)</b>	• บริษัท พีเอสจีซี (ลาว) จำกัดผู้เดียว
<b>Name of subsidiary (English)</b>	• PSGC (Lao) Sole Company Limited
<b>Type of business</b>	• Construction contracting of industrial, commercial, and other type of projects and services. It is a juristic person registered in Lao PDR.
<b>Relationship</b>	• Subsidiary
<b>Company registration number</b>	• 01-00026700
<b>Address of head office</b>	• PT Building, 6 <sup>th</sup> Floor, Phonexay Road, Phonexay Village, Xaysettha District, Vientiane Capital, Lao People's Democratic Republic
<b>Paid registered capital</b>	• Kip 16,000, million or Baht 45.0 million (8,000,000.0 ordinary shares at Kip 2,000 each)
<b>Shareholding ratio</b>	• 100%

### 1.3.2 Shareholding in subsidiary or affiliate of party with potential conflict of interest which exceeds 10% of voting shares of such companies

- None -

### 1.3.3 Relationship with major shareholders' business

The biggest shareholder is a spouse of the Company's Chief Executive Officer. However, the Company's core business has no significant relationship with dependence on or competition with other businesses operated by the major shareholders.

## 1.3.4 Shareholders

### (1) Major shareholders

List of top 10 shareholders as of March 12, 2024

List of shareholders	Number of shares	%
1. Mrs. Panicha Dau	25,997,000,000	40.00
2. Bank Julius Baer & Co. Ltd, Hongkong	25,297,000,000	38.92
3. Thai NVDR Company Limited	3,648,988,980	5.61
4. Mr. Adisorn J.Jitcharoenchai	990,997,100	1.52
5. Miss Chanida Sae-Tang	779,470,900	1.20
6. Mrs. Leena Rachitratanaying	554,551,000	0.85
7. Mr. Pornprom Promvanich	546,475,800	0.84
8. Mr. Prasit Chongussayakul	511,002,852	0.79
9. Mr. Chayut Phibunlaphatroj	473,000,000	0.73
10. Mrs. Anchan Chongussayakul	273,830,000	0.42
Other shareholders	5,920,121,524	9.11
<b>Total shares</b>	<b>64,992,438,156</b>	<b>100.00</b>

**Remarks:**<sup>1</sup>NVDR investors are entitled to financial benefits as the Company's ordinary shareholders but they are not entitled to voting rights in a shareholders' meeting.

Except for the biggest shareholder who is a spouse of the Company's Chief Executive Officer, all the shareholders listed above are not connected persons per Article 258 or do not serve the same controlling person.

### (2) Ultimate beneficial ownership

- None -

### (3) Shareholder of subsidiary of core business

As of December 31, 2023, the Company wholly owned 100% of shares of the Subsidiary.

### (4) Shareholders' Agreement

Major shareholders do not have any arrangements which may affect issuance and offering of securities or management of the Company in which the Company has entered into.

## 1.4 Number of registered and paid-up capital

### 1.4.1 Registered capital

As of December 31, 2023, the Company registered capital of Baht 64,992,438,156, Baht 64,992,438,156 of which was fully paid-up. The Company issued a total of 64,992,438,156 ordinary shares with par value of Baht 1 each. All the Company's shares were listed as securities traded on the mai.

### 1.4.2 Other types of shares

- None -

### 1.4.3 The Company does not issue or offer shares or convertible securities to Thai Trust Fund. The Company does not issue any NVDR.

## 1.5 Issuance of other securities

The Company does not issue convertible securities or debt instruments.

## 1.6 Dividend policy

- **Dividend policy of the Company**

The Company pays dividend at least 50% of net income. However, payment of dividend is dependent on operating results, business plans, liquidity, necessity and other future obligations or commitments. Decisions regarding dividend payment is to be made by the Board of the Company by taking into consideration the best interest of its shareholders.

- **Dividend policy of subsidiary**

The Company's subsidiary pays dividend at least 50% of net income. However, payment of dividend is dependent on operating results, business plans, liquidity, necessity and other future obligations or commitments. Decisions regarding dividend payment is to be made by the Board of the Company by taking into consideration the best interest of its shareholders.



## 2. Risk Management

### 2.1 Risk management planning and policy

The Company recognizes the central importance of developing a comprehensive approach to risk management policy and planning, and to this end, the principles and practices of the COSO ERM 2017 framework have been tailored to the Company's organizational context for use in the development of guidelines and processes for managing enterprise risk, the latter being assessed in light of an analysis of both internal and external factors. Thus, in line with the regulations for listed companies and to ensure maximum confidence in company procedures for the preventing, monitoring, tracking, and evaluation of any risk that might result in loss or damage to company products or services, and through this, the avoidance of impacts on customer satisfaction, the Company was pleased to support the training and certification of executives and staff attending of the Thai Listed Companies Association's course on risk management and internal controls.

#### The procedure for risk management planning consists of the following:

- 1) Identifying risk: This involves pinpointing individual risk events, and evaluating their nature, their sources, and any internal and external factors that may affect these. This extends to include an evaluation of the losses or impacts arising from identified risk as this affects the business, the needs of stakeholders, key performance indicators, and operational processes.
- 2) Risk analysis: This includes an evaluation of the frequency, intensity, and significance of individual risk events, that is, the probability that risk events will occur and the opportunities and consequences that will flow from these. This analysis will draw on historical evidence, past experience, and insight to provide a precise evaluation of risk impacts.
- 3) Risk evaluation: The risk analysis provides the input into an evaluation of the extent and importance of individual risk factors, which is then used to consider the necessity of actively managing these.
- 4) Risk management: Having conducted an analysis of an individual risk factor, the appropriate response to this will then be considered. This may involve avoiding the activity that gives rise to this (Terminate), taking action to reduce the probability that negative impacts will occur or to reduce their scale (Treat), shifting risk to a third party (Transfer), or retaining the risk if it is within acceptable levels (Take). This assessment will be carried out by a working group or the risk management committee, though implementation will always be in line with the policies and goals of the business unit and of the overall organization.
- 5) Monitoring and evaluation: Risk management processes and the evolution and emergence of new risks are subject to constant monitoring, and reports on these are routinely made to the risk management committee.

The Company's strategy and guidelines for managing risk state that very high- and high-level risks are not acceptable, and the Company has clear guidelines that if such risks are assessed as moderate, high, or very high, it must immediately establish risk management measures and plans to address them.

## 2.2 Risk factors affecting company operations

### 2.2.1 Risk to company operations

#### Strategic risk

##### (1) Risk arising from a lack of income diversification

At present, the Company is engaged in construction work on two large developments, and there is therefore a risk that there may be an overconcentration of sources of income since if these projects are terminated, or if these clients decide not to continue working with the Company, this will have a significant impact on operations.

To manage the risk arising from an over-dependency on a narrow income base, the Company has undertaken the following:

- 1) The Company routinely bids on regular and EPC domestic and overseas private-sector contracts, especially in areas where its expertise is particularly strong. This thus increases opportunities to expand the client base and to increase new backlog.
- 2) The Company has been focusing on increasing its project management efficiency, in particular to bring projects to completion on schedule and within budget, and to maximize client satisfaction. The Company has thus improved the efficiency of its internal systems including cost estimation, new project bidding, and marketing to be more competitive in the industry.
- 3) The Company places a major emphasis on building excellent client relations with existing customers and on proactively reaching out to new clients, and this helps to increase business opportunities for future projects. Processes for presenting information have also been revised and improved, and this helps clients to better understand the Company's novel systems and processes, thereby deepening and improving levels of satisfaction among both old and new customers.
- 4) Company strategy involves targeting clients in neighboring countries in the ASEAN region since in these markets, competition tends to be less intense with higher potential in generating profits.
- 5) The Company is currently considering expanding into markets beyond its core areas of construction and engineering, and this may then add to income and corporate profits.

**(2) Risk arising from a potential inability to secure contracts for work in Thailand and overseas**

Growth is a core PSGC business goal, but achieving the targets for this depends largely on recruiting and maintaining staff who can make this a reality. Thus, although at present, the Company is expanding its construction business in both domestic and overseas markets, this requires staff with the requisite experience and expertise, and this has fed into the assessment of the risks to the Company's ability to secure new contracts for projects in Thailand and in other countries.

The Company is currently undertaking the following measures to manage risk arising from any shortfalls in its ability to secure new contracts in domestic and overseas markets.

- 1) The Company is undertaking staff training to improve the skills and ability of relevant personnel, and to increase their rate of success in winning new contracts at home and abroad.
- 2) To help it secure work on projects in Thailand and other countries, the Company is recruiting staff who are skilled and experienced in core business areas.

**Financial risk**

**(3) Risk arising from exchange rate volatility**

Because the value of contracts for work in neighboring countries are denominated in US dollars while partial cost and administrative expense are made in local currency. The Company exposes to exchange rate volatility which has the potential to impact company finances.

The Company is currently undertaking the following measures to manage the risk arising from changes in exchange rates.

- 1) The Company has adopted a natural hedge mechanism by balancing proportion of income and expenses denominated in foreign currencies. The Company also has opened a US dollar account to manage cash inflow and cash outflow of the project.
- 2) The Company has procedures in place to continuously monitor foreign exchange movements and to use this in the analysis and planning. The Company will consider other financial instruments in case of high volatility.

**Compliance risk**

**(4) Risk arising from non-compliance with tax and labor laws and regulations in overseas markets**

Operating in overseas markets necessarily requires compliance with the local rules, regulations, standards and legislation in the countries in which the Company is investing or operating, but this has the potential to become a source of risk. This is particularly so for the rules and regulations governing labor rights and taxation, which are both complicated and subject to regular review. If the Company is accidentally in breach of these regulations, this would then possibly entail legal action, with consequent impacts on company expenses and corporate image.

The Company is currently undertaking the following measures to manage the risk of non-compliance with the rules, regulations and legislation governing tax and labor rights as they relate to operations in overseas markets.

### Risk relating to taxation

- 1) The Company has engaged the services of consultants with expertise in the area of international taxation to ensure that operations are carried out strictly in accordance with the rules and regulations governing taxation as these apply to the Company's overseas operations. These also consult on taxation with the Company's legal department and relevant external bodies.
- 2) To improve internal levels of understanding of tax regulations, the Company provides training for staff on this. This covers working procedures relevant to taxation and the preparation of financial and taxation documentation.

### Risk relating to labor rights and working practices

- 3) The Company summarizes research on labor laws and regulations in countries/areas where it is active. This is then used to support an analysis of the impacts of company activities and to prepare guidelines for corporate operations and working practices.
- 4) The Company prepares guidelines on working practices and labor laws and regulations as these apply in overseas markets. These are then provided to relevant employees to ensure that working practices are in line with these rules and standards.
- 5) To guarantee that employees fully understand the relevant rules and regulations and that company operations are in compliance with these, staff training is provided on this as appropriate.

#### (5) Risk relating to the oversight of subsidiaries

The Company underwent restructuring in 2022, which resulted in the establishment of a Lao-based subsidiary (PSGC (Lao) Sole Company Limited). The core business of this subsidiary is the same as the parent company (i.e., contracting for construction work and providing related services) and so during the initial period of the subsidiary's operations, the oversight measures were not fully implemented due to differences in environments, laws and regulations. The Company may therefore be exposed to risk resulting from the management of its subsidiary.

The Company is currently undertaking the following measures to manage risk arising from the management of subsidiaries.

- 1) The Company has drafted policies and guidelines for the oversight and management of companies within the group. These have been communicated to the relevant employees so that they better understand their duties, responsibilities, and mission, and that their actions are in line with company policy.
- 2) The Company has prepared training sessions for employees of the Company and its subsidiaries to ensure that employees fully understand the policies and guidelines for the oversight and management of group companies, that their actions are following these guidelines, and that employees in both the Company and its subsidiary work according to a unitary set of standards.
- 3) To ensure that its activities are in accord with the policies and guidelines for the oversight and management of the group, the compliance department carries out an annual audit of subsidiaries at least once per year. In the event that a subsidiary is non-compliant with these policies, the compliance department shall provide advice and guidelines on how to become so, and it shall also immediately report on this to the executive committee.
- 4) The Company shall evaluate the necessity of bringing in consultants to advise on the creation of guidelines for the oversight of subsidiaries and its activities, and to carry out audits of its operations.

### Operational risk

#### (6) Risk arising from the unqualified foreign contractors and partners

To meet its needs to work on construction projects in overseas markets, the Company is at times reliant on partners, or other local contractors or subcontractors. However, if these partners or subcontractors lack the requisite experience, this may impact on the ability of the Company to fulfill its contractual obligations, either in terms of the quality of the work or the project delivery plan. This then increases the chance that the client/project owner and/or the Company may experience losses, and so the possibility of overseas partners and subcontractors lacking the ability to produce work of a sufficiently high standard represents an additional source of risk.

The Company is currently undertaking the following measures to manage risk arising from overseas partners and subcontractors not being sufficiently skilled to complete work to the requisite standard.

- 1) To ensure that local subcontractors have the necessary experience, ability, and potential, the Company pre-screens local contractors using its own criteria. The Company can therefore be confident that its subcontractors have the experience required to complete particular project types, while the Company's quality control unit (in charge of quality control, quality assurance and quality systems) oversees all stages of construction to ensure that the work has been completed to the required standards and budget (as determined by the project owner and the Company), and to do so in accordance with ISO standards.
- 2) Together with the contractor, the Company monitors each stage of its projects through weekly progress reports. Monthly reports are also made to the project steering executive and the project owner to keep these informed of the progress of the project and any other important issues, such as the results of quality control checks, the on-site accident rate, and any other problems or obstacles that may impact work on the project.
- 3) The Company conducts periodic assessments of the contractor's performance as per the project's payment cycles and keeps records of the assessment results. If it is found that the contractor's work is not in accord with the standards set by the Company and if this is sufficient to have significant impacts on the completion of the project, the engineering department will consider terminating the current subcontractor's contract and employing a replacement. In addition, the Company CEO will be immediately informed of the problem and the proposed solution.
- 4) The Company collates the results of its assessments of the quality of subcontractors' work, and this is used to generate an overall score together with an assessment result from the procurement department. This grading is carried out every 6 months, with the results recorded and included in a database, which can then be used to select suitable subcontractors for work on future projects.

## **(7) Risk arising from the late delivery of projects**

Although the Company can manage risk related to project delays, this is nevertheless regarded as important since operating as a construction contractor entails delivering work in line with a clear timetable structured according to the project's overall progress, and any failures of project management run the risk of causing delays and thus of generating losses for both the client/project owner and the Company.

The Company is currently undertaking the following measures to manage risk associated with project delays.

- 1) The Company pre-screens contractors for their abilities and qualities according to the Company's own criteria. This helps to ensure that they have the knowledge and expertise required to complete their assigned work on time and as specified in the original contract.
- 2) The Company appoints personnel who have sufficient expertise and experience to manage and oversee projects. The Company also holds weekly meetings with contractors, and progress reports are prepared for each stage of the project. This then supports ongoing monitoring of any divergence between planned and actual progress, and in the event that any delays or deviations from the project plan occur, the project director will prepare a catch-up plan that will then be presented to the project steering executive, the project owner, and any consultants appointed by the latter. In addition, a new operations plan will be drafted.
- 3) In the event that a change request pertaining to the scope of work is made, the project director will assess what the impacts of this will be and then make a judgement on whether this falls within the scope of the original contract. If this will not cause delays to the project, the project director will propose that the change request is approved by the individual authorized to do so, and these changes will be reported in the monthly progress meeting. However, if the change will negatively impact the project timeline, the project director will proceed with the request as per the requirements detailed in the contract for seeking approvals for change requests in writing from the project owner.



4) If it is found that the contractor's work is not in accord with the standards set by the Company and this is sufficient to have significant impacts on the completion of the project, the Company will consider terminating the current subcontractor's contract and employing a replacement. In addition, CEO will be immediately informed of the problem and the proposed solutions.

#### **(8) Risk arising from staffing and labor shortages**

Human resources are a core determinant of the Company's success in its business, and so access to a sufficiently large pool of capable, talented, knowledgeable, responsible, and experienced individuals plays a key role in helping the Company operate efficiently and effectively and thus meet its goals. However, stiff competition of the industry and the Company's plans for future expansion have increased the possibility that finding a sufficient supply of suitable candidates may be problematic, and given this, it is necessary for the Company to prioritize human resource management and through this, to provide support for the recruitment, development, and retention of key staff.

The Company is currently undertaking the following measures to manage risk arising from a shortage of qualified staff.

- 1) The Company has put in place a framework to structure the process of recruiting new staff and ensuring that this is carried out efficiently. As a part of the recruitment process, the qualification of candidates will be considered through a staff requisition form and a job description. This then provides a solid basis for selecting candidates with the qualifications that most closely meet the needs of the unit undertaking the recruitment.
- 2) To maximize staff retention, the Company routinely reviews its policies on compensation and benefits in light of those offered by other companies in the same industry. Moreover, the Company has put in place succession plans for key positions.
- 3) The Company works constantly to foster a warm and inclusive corporate culture that encourages employees to feel that they are a core part of the enterprise.
- 4) The Company is dedicated to using its media relations to develop its corporate image and through this, attract the most skilled individuals.

#### **(9) Risk arising from rumors that negatively affect the corporate image (Ref. EX20)**

It is possible that when operating both in Thailand and overseas, the Company may be the subject of damaging rumors originating both within the Company and external, and this may then affect the Company's reputation and image.

The Company is currently undertaking the following measures to manage risk arising from rumors damaging to its reputation.

- 1) The Company has written a code of conduct, and this has been communicated to all staff within the organization. The Company also educates staff on the need to exercise discretion in the release of information, which is provided to staff on a need-to-know basis. In addition, staff are reminded of the punishments for breaches of confidentiality.
- 2) The Company has established an information security policy that includes measures to prevent the unauthorized release of confidential information.
- 3) In the event that damaging rumors are spread about the Company, relevant information and documentation will be gathered from departments and work units to counter this. This will be summarized and having been approved by company executives, it will be provided to the appropriate external organizations or media. The Company has in addition designated the investor relations department and the Company secretary as the official points of contact when communicating with external organizations. In the case of sensitive information involved in the rumor, information should be communicated through the Stock Exchange of Thailand's ELCID system.

### **Emerging Risks**

#### **(10) Risk arising from cyber threats**

To support its operations, the Company is ever more reliant on the use of information and communications technologies and on electronic equipment more generally, but as these become more central to business activities, they bring with them greater exposure to cyber threats. In particular, domestic and international threat actors are increasingly active, with the danger of cyberattacks rising correspondingly in areas such as cybercrime, and the use of spyware and wiper malware.

The Company is currently undertaking the following measures to manage risk arising from cyber threats, with this being directed primarily by the IT department.

- 1) The Company has established policies for IT security including the management of cyberthreats. These have been communicated to the relevant staff for action and enforcement, and internal channels (e.g., newsletters and email) have been used to make staff across the enterprise aware of the importance of cybersecurity.
- 2) The Company has installed high-quality, well-regarded antivirus software alongside a firewall to prevent network attacks, while checks for unusual network activity are routinely carried out. In addition, a maintenance service agreement (MA) has been agreed with an external service provider to cover system maintenance and updates, and in the event of a server failure, this ensures that a full recovery will be made within 24 hours.
- 3) The Company has put in place systems to ensure that internal and external access to computer systems is only available to authorized users, who must login using their own username and password. Admin rights are restricted to staff in the IT department, and so only these individuals may install software on company computers (ordinary users are prohibited from doing so).
- 4) The Company backs up important data according to a fixed schedule. Backups are made both to the cloud and on the premises, and backups are routinely tested to ensure that data may be fully restored.

### 2.2.2 Risk of returns for investors in the Company

Factors that may impact returns to investors include the following.

1. The overall economic environment, conditions in related industries, and company performance are all important determinates of the level of returns available to investors.

2. Trading conditions in the Thai stock market and the liquidity of the Company’s shares may affect the ability of investors to liquidate their holdings and to rapidly turn these into cash.
3. Variations in financial market interest rates will influence the returns expected by investors.
4. Inflation will impact returns, and the higher the inflation rate, the lower the real returns made to investors.
5. In the event that a single shareholder controls more than 75% of the Company shares, this individual thus has complete control over the Company and has substantial influence over all issues that require authorization by a meeting of the shareholders. Other shareholders in the Company are thus prevented from gathering sufficient votes to effectively examine or to balance proposals put to a meeting of the shareholders by this individual.

Investors should be aware of the risks inherent in making an investment and should choose investment vehicles that match their risk appetite.

### 2.2.3 Risk of returns in overseas securities investment

N/A



## 3. Sustainable Business Development

The Company sustainability report has been included with its annual report (the 56-1 One Report), and this reflects the Company's commitment to putting the business on a solidly sustainable foundation. The report encompasses matters relating to policy, operational guidelines, and reporting of results in three areas of the economy, society, and the environment for the period from 1 January to 31 December, 2023. Full disclosure is made to guarantee transparency and accountability to stakeholders and to ensure that the Company lives up to its vision of "To evolve into a regional corporation focused on multi-industry investments and unlock long-term value for sustainable growth."

Since the end of 2021, the Company has been engaged in a process of internal reorganization that has included expansion into Thailand neighboring countries. This bore fruit in 2022, when overall operations turned profitable for the first time in several years, and so in 2023, efforts persisted to ensure that it continues to generate profits sustainable over the long term and provide suitable returns for shareholders.

### 3.1 Policies and goals targeting corporate sustainability

The Company has adopted the United Nation's Sustainable Development Goals (SDGs) as its guide for the development of the internal policies and guidelines required to drive forward efforts to put the Company on a long-term sustainable footing and then to ensure that directors, executives, managers, and staff are all working together to this end.

As part of this commitment, an assessment was carried out of the potential of the Company and its subsidiaries to work within the framework provided by the SDGs. The focus is on seven of the seventeen SDGs, which cover the three areas of: (i) governance and the economy; (ii) society; and (iii) the environment.

### 1) Governance and the economy



**SDGs 17** Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

The Company plans to collaborate with its partners to strengthen its operations and to jointly contribute to making society more sustainable and to preserving the environment. At present, the Company is working with Keppel Energy Pte Ltd to study the potential exports of renewable energy from Lao PDR to Singapore.

### 2) Society



**SDGs 1** d poverty in all its forms everywhere

The Company is deeply concerned with the welfare and livelihoods of communities in areas adjacent to projects undertaken by the Company, and so to ensure that community members have additional income and improved quality of life, local labor is employed on the Company developments. In addition, company engineers have routinely been deployed in Lao PDR to oversee work on these projects and this thus helps to facilitate knowledge transfer to local companies subcontracting for the Company.



**SDGs 3** Ensure healthy lives and promote well-being for all at all ages

The Company is committed to improving the health and livelihoods of both staff and those in areas where projects are undertaken, and to this end, the Company has managed to provide access to group health and life insurance to cover the cost of treatment for staff undertaking work on overseas projects, should this be needed. The Company is also pleased to regularly donate essential consumer goods to communities in surrounding areas.



**SDGs 4** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

The Company recognizes the importance of fair and equal access to high-quality education, and education and childcare financial supports are made available to help staff. Moreover, the Company is committed to further improving this staff welfare in the future.



**SDGs 8** Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all

The Company actively promotes full and productive employment in a safe and secure environment, and for which all staff are fairly compensated. As part of this, the Company has recently undergone restructuring, and this has helped to bring its organizational structure into alignment with future business trends and to better meet the challenges posed by a changing commercial environment. The Company has also reviewed staff compensation and welfare packages at all levels to be

certain that these match industry standards. For example, to execute a flexible working time and location policy for employees (Work from Anywhere), allowing employees to work outside of the workplace regularly every Friday of the week to improve work flexibility.

### 3) The environment



**SDGs 12** Ensure sustainable consumption and production patterns

The Company is committed to managing natural resources efficiently and sustainably and, through the implementation of effective waste management systems, to reducing the release of chemical and other toxic waste. The Company also operates a tree-planting scheme in designated areas and where possible, waste is reused and recycled at both in its construction activities and in operations at the Company head office.



**SDGs 13** Take urgent action to combat climate change and its impacts

An expansion into renewables is currently under consideration, and the Company is in the process of studying the potential development of pumped storage hydropower plants. The Company also intends to reduce climate change impacts arising from its core business activities and from supporting operations at the Company head office. Currently, head office is located at AIA Sathorn Tower, which is a LEED EBOM platinum-certified building. The building and its amenities were constructed and managed under the concept of energy savings and environmental friendliness.

## 3.2 Managing impacts on stakeholders across value chains

### 3.2.1 Value Chain

	Activity	Internal stakeholders	External stakeholders
1. Marketing / Project Feasibility Study / Project Selection	<b>Project search / Bidding opportunity</b>	• Employees	• Shareholders
	<ul style="list-style-type: none"> <li>• Study the requirements and terms of reference (TOR)</li> <li>• Preliminary cost analysis</li> <li>• Prepare a letter of guarantee/source of funding</li> <li>• Submit a bid</li> </ul>		• Customers
	<b>Selection of Partners/Materials</b>	• Employees	• Partners
	<ul style="list-style-type: none"> <li>• Cost of materials/procurement/ partners/sub-contractors</li> </ul>		
1. Undertaking a construction project	<b>Project Management</b>	• Employees	• Shareholders
	<ul style="list-style-type: none"> <li>• Contracts and plans management</li> <li>• Budget approval and management</li> <li>• Project risk planning and management</li> <li>• Personnel preparation (procurement/staff development)</li> </ul>		• Customers
	<b>Construction</b>	• Employees	• Customers
	<ul style="list-style-type: none"> <li>• Construction planning according to approved plans</li> <li>• Undertake construction project</li> <li>• Follow up and report on construction progress</li> </ul>		• Partners
	<b>Quality Control</b>	• Employees	• Customers
	<ul style="list-style-type: none"> <li>• Control quality of construction projects</li> <li>• Review and test project quality control procedures</li> <li>• Take action to correct non-conformities</li> </ul>		• Partners
			• Community
3. Delivery	<b>Inspection / Delivery</b>	• Employees	• Customers
	<ul style="list-style-type: none"> <li>• Pre-hand over work inspection</li> <li>• Prepare Certificate of completion / Project completion report</li> <li>• Inspection and acceptance certificate</li> <li>• Performance guarantee (if any)</li> </ul>		• Community

### 3.2.2 Value chain and stakeholder analysis

### 3.2.3 Stakeholder engagement

Engagement	Expectation	Measure	Engagement Channel
<b>Shareholders and investors</b>	<ul style="list-style-type: none"> <li>Stable and sustainable growth.</li> <li>Attractive return on investment.</li> <li>Corporate governance, risk management and sound monitoring and control system established.</li> <li>Availability of complete, accurate, and up-to-date information.</li> </ul>	<ul style="list-style-type: none"> <li>Developed a transparent, fair and verifiable corporate governance policy.</li> <li>Established a risk management system with regular updates.</li> <li>Disclosed information to the public equitably and transparently.</li> <li>Maximized the shareholder value.</li> <li>Developed code of conduct and strictly prevent the personal use of confidential company’s information.</li> <li>Promoted ethical conduct and effectively prevented conflict of interest.</li> </ul>	<ul style="list-style-type: none"> <li>Annual General Meeting of shareholders (AGM).</li> <li>ELCID.</li> <li>Company snapshot.</li> <li>Company website.</li> <li>Press release / Media release.</li> <li>Investor Relations.</li> <li>Complaint channel.</li> </ul>
<b>Employee (Employees and executives)</b>	<ul style="list-style-type: none"> <li>Attractive remuneration and welfare benefits.</li> <li>Safe and healthy workplace.</li> <li>Equal opportunities for career growth.</li> </ul>	<ul style="list-style-type: none"> <li>Offered competitive compensation and welfare benefits.</li> <li>Employed a fair performance evaluation system.</li> <li>Promoted safe workplace culture.</li> <li>Fostered ongoing employee career growth and development.</li> <li>Uphold human rights principles.</li> </ul>	<ul style="list-style-type: none"> <li>Internal communication with employees.</li> <li>Townhall.</li> <li>Email.</li> <li>Notice board.</li> <li>Internal meeting.</li> <li>Team building.</li> <li>Complaint channel.</li> </ul>
<b>Partners (Partners, Financial Institutions, Suppliers, and Sub-contractors)</b>	<ul style="list-style-type: none"> <li>Fair and equal treatment to partners.</li> <li>Strictly following terms and conditions stipulated in the trade agreements.</li> <li>Fostering solid and enduring partnerships.</li> </ul>	<ul style="list-style-type: none"> <li>Fair and transparent supplier selection process, ensuring equal opportunities for all partners.</li> <li>Prepare contract form with appropriate trade terms and conditions.</li> <li>Pay for the product/service to partners within the specified period.</li> <li>Determined developing knowledge sharing with partners, retaining good relationships, and setting clear quality objectives for products and services.</li> <li>Adopted Anti-fraud and Corruption policy and adhere to it rigorously.</li> </ul>	<ul style="list-style-type: none"> <li>Organizing weekly / monthly meetings with sub-contractors to follow up the work progress.</li> <li>Contact with Procurement Department.</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Strictly adhering to the terms of the contract.</li> <li>Having a clear understanding of the work and being flexible in working together to resolve any issues swiftly.</li> <li>Ensuring the handover of high-quality projects within the agreed-upon time frame and budget.</li> <li>Commitment to ensure a proper warranty is made.</li> <li>Working towards establishing and maintaining positive long-term relationships.</li> </ul>	<ul style="list-style-type: none"> <li>Succeeded in construction quality inspection system based on ISO 9001:2015 standards guaranteed the projects meet customer quality requirements and are completed on time and within budget.</li> <li>Adhere to the terms outlined in the contract strictly.</li> <li>Adopted Anti-fraud and Corruption policy and all parties abide by it rigorously.</li> <li>Dedicated to preserving positive relationships and setting clear quality objectives for worth products/services.</li> </ul>	<ul style="list-style-type: none"> <li>Meeting with clients to update the work progress weekly and monthly.</li> </ul>

การมีส่วนร่วม	ความคาดหวัง	การตอบสนอง	การสื่อสารและช่องทาง
<b>Community</b>	<ul style="list-style-type: none"> <li>Efforts in minimizing construction-related pollution and its impact on communities, society, and the environment.</li> <li>Committed to safely conducting construction activities.</li> <li>Effort to optimize resource usage efficiently.</li> </ul>	<ul style="list-style-type: none"> <li>Established the construction concerning the impact on communities, society, and the environment, and strict compliance with all relevant laws and regulations.</li> <li>Implemented adequate safety measures for personnel working in the construction area, and enforced the strict adherence.</li> <li>Controlled emissions and waste to meet the standards.</li> <li>Regularly support creative activities for the community, society and the environment.</li> <li>Listen to the opinions and suggestions of communities surrounding the construction site and actively seek ways to mitigate any potential impacts including resolving any complaints quickly.</li> </ul>	<ul style="list-style-type: none"> <li>CSR and community engagement activities.</li> </ul>

### 3.2.4 Identifying and evaluating core issues

#### Identifying core issues and the scope of impacts

Key Issue	Stakeholders				
	Employee	Shareholder	Partner	Customer	Community and environment
<b>Economy</b>					
1. Governance and ethics	✓	✓	✓	✓	✓
2. The long-term income stability	✓	✓	✓	✓	✓
3. Supply chain management	✓	✓			✓
4. Compliance with rules and regulations	✓	✓	✓	✓	✓
<b>Social</b>					
5. Fostering employee engagement	✓	✓	✓	✓	
6. Human resource development	✓	✓	✓	✓	
7. Occupational health, safety and working environment	✓	✓	✓	✓	✓
8. Community involvement	✓	✓			✓
<b>Environment</b>					
9. Climate change management	✓	✓	✓	✓	✓
10. Energy saving	✓	✓	✓	✓	✓

## Reviewing core issues

The management team has carried out a review of issues relating to sustainability, taking into account the organizational context, environmental factors, market opportunities and competition, and the likely future direction of the business. The Company is now in the process of defining the scope and responsibilities of the sub-committee tasked with oversight of sustainability related issues and of revising its charter accordingly. This will then allow it to take charge of considering and screening issues related to sustainability, and then referring major issues to the Board of Directors for their approval. The Board of Directors will also have an important role in driving implementation of the policy on sustainable development.

## Reporting and communications

The approved list of sustainability will be used to define the scope of company engagement in the area of sustainable development, though this will cover management practices and the use of specified indicators and metrics, as well as reporting and disclosure in the 56-1 One Report for use by external stakeholders, shareholders, investors, and the general public. For internal stakeholders, the Company holds ‘town hall’ meetings, at which staff are informed of the overall direction of the business, management policies, and its operating results. This thus helps to keep staff informed of these issues and supports their implementation in work practices, and this will help the Company achieve its longer-term goals.

## Developing and promoting sustainability

The Company will establish a framework to guide the review of information supplied by stakeholders together with their expectation and concerns on the Company’s vision, mission, strategic direction, and the opportunities and threats they faces. Stakeholders can communicate with the Company of their views through a number of channels, and their feedback will be used to build and deepen stakeholder participation, as well as input into an ongoing process of review and improvement of the core areas of sustainability on which the Company is focused. Relevant issues will be presented by the management team to the sub-committee for screening and forwarding to the Board of Directors. The latter will then consider and, if appropriate, approve changes to the list of core issues, all with the goal of keeping the Company on track with its plans for sustainable growth.

## 3.3 Environmental sustainability

### 3.3.1 Environmental policies and guidelines

The Company has put in place a process for ensuring care and respect for the environment, as specified in section 6 of its policies on corporate social responsibility, which details its environmental stewardship. In particular, this is focused on maximizing resource use efficiency, which is achieved by reusing or recycling waste or unused construction materials, and reducing the environmental impacts of company activities. In addition, awareness and action on the latter has been established as a performance indicator for employees to collectively act on.

In 2023, the Company initiated and aimed to build awareness of the importance of energy saving and to encourage staff to use resources more carefully and more efficiently. This included participation in the ‘Ting To Trash’ project organized by the Securities and Exchange Commission and the Thai Listed Companies Association, which supported listed companies in building a corporate culture that encouraged staff to separate waste properly and to internalize the need to cut the release of greenhouse gases. The project also encourages companies to release information on their environmental activities, to promote more efficient use of resources, to implement systems to cut energy use and especially waste, to push staff to turn off lights where possible, to use both sides of office paper, and where this can be done, to use technology to develop paperless workflows.

The Company head office is located in the AIA Sathorn Tower, which has achieved a platinum certification on the LEED EBOM rating. The building has a system for managing power consumption in the passenger lifts, and cooling is provided by an environmentally friendly energy-saving air-conditioning system.

### 3.3.2 Environmental performance

#### Energy saving initiatives

The Company is committed to continuously improving its energy efficiency, and so the head office is sited in the AIA Sathorn Tower, a building that is managed to maximize energy efficiency and to minimize its environmental impacts. Staff are thus encouraged to avoid the use of lights in common areas, meeting rooms, and work areas whenever this is possible. The Company also adopts a ‘work from anywhere’ policy on Fridays, which, in addition to helping employees have a more flexible work routine, helps to cut energy use related to commuting.



### Fuel consumption

The Company records and reports company fuel consumption but this is restricted to that used by the four vehicles operated in the Company head office and excludes fuel consumed by vehicles operating at construction projects carried out overseas. These used a total of 1,329 liters of fuel, a 53% reduction from 2022.

### Electricity consumption

As with fuel consumption, reporting of electricity consumption is restricted to that used in the Company head office and does not include electricity use connected to overseas construction projects. In 2023, a total of 32,484 units of electricity were consumed, a fall of 28% relative to 2022. However, making a comparison between the two years is complicated by the fact that the Company relocated its head office at the end of Q1 of 2022, and so figures for the year include consumption in both the old and new buildings.

### Water management and conservation

2023 water consumption was recorded for the head office only and so this does not include figures for water use related to work on construction projects overseas. In the year, this totaled 55 units, a 66% reduction from the 2022 level, though again, it should be noted that the 2022 figure covers both consumption in the old head office and, from the end of Q1 of 2022, the new building.

### Waste management

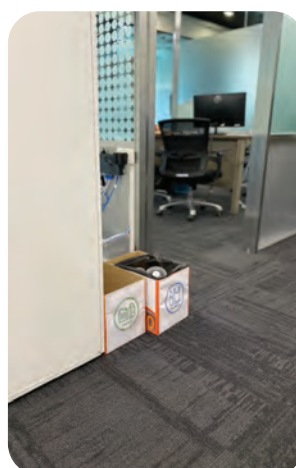
Initially, the Company’s policy for waste management at the head office is to follow the procedures put in place by the building’s management, which include separating waste into general and recyclable waste (e.g., paper, plastic cups and bottles, aluminum cans, etc.). On construction sites operated by the Company, this same principle applies, and so waste is separated into recyclable and non-recyclable material, which is then handed over to the project owner for further processing.

In the last quarter of 2023, the Company began to participate in the ‘Ting To Trash’ campaign jointly organized by the Securities and Exchange Commission and the Thai Listed Companies Association. Additional support for this has come from KidKid Ltd., which has developed a software platform to support the project and to help companies achieve the project’s goal of educating companies and their staff on how to separate waste, build an organizational culture that helps to precipitate cuts in greenhouse gas emissions, and improve the release of data on corporate progress on waste management.

The Company’s participation in the ‘Ting To Trash’ program resulted in the following improvements to the Company’s waste management.

- General rubbish: 53.9 kg/month
- Compostable rubbish: 25.9 kg/month
- Recyclable rubbish (paper and plastic): 41.0 kg/month

The results of the Company’s participation in the ‘Ting To Trash’ campaign will be published in the annual One Report from 2024 onwards.



### Managing climate change impacts

The Company fully acknowledges the dangers posed by climate change, and impacts arising from this may have direct consequences for business operations since at present, the Company is considering expanding its business activities into the provision of clean energy. In particular, the Company is currently studying the potential of pumped storage hydropower (PSH), the success of which is highly dependent on access to significant water resources.

The Company is committed to a rolling program of operational improvements and transparency over the release of greenhouse gases resulting from company activities, and as part of this, the Company is currently preparing and implementing guidelines to manage the collection of relevant data. Once the Company’s growth trajectory has stabilized, reporting on greenhouse gas emissions will begin, but at present, efforts are concentrated on the development of a data collection framework and the drafting of guidelines for the release of information on emissions. Initially, this framework will apply to support activities carried out at the Company’s head office and will include both emissions that can be traced back directly to company activities (scope 1 emissions) and emissions for which the Company is only indirectly responsible (scope 2 emissions). Data arising from these sources will be reported and used to direct plans for future emissions cuts.

The Company has made an initial assessment of total 2023 greenhouse gas emissions resulting from company activities undertaken at the head office using the guidelines provided by the Thailand Greenhouse Gas Management Organization (TGO) on their website. However, it should be noted that these figures have yet to be verified by an auditor licensed by the TGO or an equivalently qualified organization. This assessment of the Company’s greenhouse gas emissions will be used to prepare internal data, which will then form the basis for reporting The Company’s total emissions to investors and other interested parties.



## 3.4 Social sustainability

### 3.4.1 Social policies and guidelines

The Board of Directors has fully embraced its commitment to sustainable growth and to meeting its corporate social responsibilities, which necessarily entails ensuring that business activities are conducted with morality and ethics. The Company further expects that aligning its operations with a firm embrace of its social responsibilities will both generate benefits to the public and underwrite ongoing growth, and in light of this, the Company has established a corporate social responsibility policy that is built on the following seven pillars.

1. Fair business practices
2. Respect for human rights
3. Fair treatment of labor
4. Anti-Fraud and corruption
5. Client commitment
6. Environmental stewardship
7. Participation in community and social development

Beyond this, the Company has established a comprehensive set of practices to guarantee safety at work and to support the ongoing development of staff, and this includes policies on occupational health and safety and succession planning. Details of these are available for inspection on the Company website in the section on corporate governance. For more details, please follow the link below.

[QR code:[https://www.TheCompanycorp.co.th/TH/corporate\\_governance.html](https://www.TheCompanycorp.co.th/TH/corporate_governance.html)]

### 3.4.2 Performance on social dimension

#### Fair business practices

One of the Company’s core values is its dedication to operating in a manner that consistently demonstrates the highest levels of honesty, integrity, ethics, and a determination to compete fairly and equitably in the marketplace and to abide strictly by the relevant rules and regulations. This extends to include a firm rejection of any behavior that contravenes these principles, such as seeking to exploit confidential information leaked from competitors, demanding or providing any dishonest trade advantage, and setting prices below the market rate to gain an unfair advantage over competitors.

In addition, the Company fully respects intellectual property rights, and employees are required to act in full compliance with all laws and regulations relevant to the maintenance of these. This includes ensuring that only computer software that is properly licensed is used by staff. The Company also operates a policy of developing the public spiritedness and a commitment to the public good among employees at all levels.

### Respect for human rights

The Company stands firmly behind its commitment to the respect for and protection of human rights, and all interactions with stakeholders including staff, communities and society at large are conducted with respect for all individuals’ inalienable equality, freedom and value. These interactions will thus never violate fundamental rights, and no discriminatory actions will ever be tolerated, whether that be with regard to race, nationality, religious affiliation, language, sex, age, educational accomplishment, physical ability, social class, or any other factor. The Company also acts to ensure that its operations are not connected in any way with violations of human rights, such as the use of child labor or the threat of sexual violence. Moreover, the Company encourages monitoring of its compliance with these principles by maintaining channels of communication that allow those whose rights may have been violated by company activities to make it aware of this. Affected individuals may also use these to call for reparations to be made.

To help embed respect for human rights in company activities, the Company educates staff about these principles and encourages employees to keep these concerns at the center of their activities.

### Fair treatment of labor

The Company recognizes that developing human capital is at the heart of business success, and a key part of this involves always acting fairly and justly in labor relations since doing so will help the Company add value to its business processes, sharpen its competitiveness, and keep operations on track for long-term sustainable growth. The Company thus uses the following principles as a framework governing its actions in this area.

1. The Company respects the human rights of staff, and its actions are carried out strictly in compliance with the relevant labor laws.
2. Recruitment processes and the terms of employment are fair and nondiscriminatory. This includes compensation and performance reviews, which shall likewise always be fair and unbiased.
3. The knowledge, potential and capability of company staff are constantly improved through an ongoing program of human resource development. This entails providing education, training and seminars for staff that also help to develop the attitudes, ethics, and team-working abilities of attendees.

4. In addition to the statutory requirements (e.g., for social security payments), staff welfare programs also include health and accident insurance, provident fund and financial assistance for a variety of other purposes, including the education of employees’ children and contributions to funeral expenses.
5. The work environment is safe, and hygienic and occupational health and safety is strictly maintained. This includes the enforcement of measures to prevent workplace accidents and to encourage staff to recognize the importance of workplace safety. Relevant training is thus provided to employees to ensure that high standards of hygiene and safety are always adhered to in the workplace.
6. Staff have the opportunity to provide feedback on their working conditions or to complain about any unfair or improper treatment that they might have received. Employees who lodge such complaints are protected from any repercussions for doing so.

### Performance on human rights issues and labor related

The Company is keen to ensure that in all relations with staff, from recruitment through to engagement, its actions are in accord with its core principles of respect for human rights because in addition to being the ethically correct choice, this also helps to foster an inclusive and committed working environment. To this end, the Company undertook the following activities in 2023.

(Data correct as of 31 December, 2023)	Total employees	
	Male	Female
Executives	2	2
Non-executive staff	36	22
<b>Total</b>	<b>38</b>	<b>24</b>

## Responsibility to personnel

### Human resource development

Human resources are a core component of the Company’s success, and the Company is eager to help staff grow and develop in step with corporate expansion. Ongoing support for human resource development is therefore provided in the form of training sessions and seminars organized both internally and externally with appropriate subject matter experts. These activities help to improve employees’ knowledge, skills, and expertise and through this, assist the Company in achieving its strategic goals.

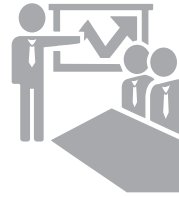
Orientation and onboarding sessions are organized for new staff. These help to educate new hires about internal procedures, and to inform these individuals about relevant information and the Company’s long-term goals before they begin their work.

On the job training is arranged to give staff hands-on practice in areas relevant to their work. This is typically provided by managers or other experts, who give practical advice and assistance while employees are working.



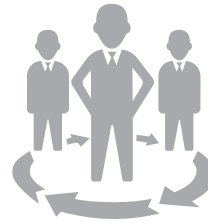
In 2023, total human resource development comprised:

#### Employee Training and Development for the year 2023



Number of training courses  
**117** courses

#### The total number of training hours for the year 2023 is 1,060 hours.



The average number of actual training hours completed is **17.40** hours/person/year.



Training target of **10** hours/person/year.

Reflecting the corporate commitment to staff development, one of the KPIs adopted by the Company to assess staff performance and which applies to all employees equally specifies that they should undertake at least 10 hours of professional training each year. In 2023, all 61 members of staff or 100% attended training sessions, with this averaging 17.40 hours per person over the course of the year. In 2023, the Company spent around THB 0.66 million for staff training.

**The promotion of a collaborative team-focused work environment**

In addition to developing the skills and capabilities of individual employees, the Company places a strong emphasis on encouraging teamwork. This is because the success of the Company will not be achieved through the work of any one individual or even of any one department, but rather, this will come from cooperation and coordination that encompasses all parts of the Company. Efforts to build long-lasting, positive and effective working relationships involving employees at all levels of the Company are thus ongoing, and activities such as collaborative team-building exercises are routine. Additionally, tools such as enneagrams are used to help staff gain insight into their own working styles and those of their colleagues.



## Occupational health and safety

Acknowledgement of the centrality of human resources to corporate success means that the Company also works hard to ensure that the staff can undertake their duties in an environment that is safe and hygienic, and so across the organization, the highest standards of occupational health and safety are maintained. Policies have therefore been put in place to ensure that the workplace meets and exceeds the standards set out in the relevant legislation.

- 1) The Company has an active policy of maintaining the highest standards of occupational health and safety in the workplace. This emphasizes the minimization of dangers so that employees can work in an environment that is free from the threat of hazards and accidents.
- 2) The Company manages the workplace to maintain a safe and hygienic environment for staff. Employees are also encouraged to work in a manner that minimizes the risk of danger.
- 3) Staff at all levels are required to abide by the rules and regulations in force in their work unit and to adhere to the safety standards and policies of the Company overall. This includes maintaining the work environment to the required standards and thereby avoiding exposing staff to the threat of physical or mental harm.

Guidelines have also been established for the safety standards required from subcontractors working on construction sites operated by the Company. These specify in detail the health and safety rules and regulations that operate in areas where construction work is underway. The Company policy on occupational health and safety is published on the Company website and is available from the link below.

[QR Code: [https://www.psgcorp.co.th/TH/corporate\\_governance-2.html?cat=3](https://www.psgcorp.co.th/TH/corporate_governance-2.html?cat=3)]

## 2023 performance on occupational health and safety issues

- 1) The Company recognizes the importance of employee safety and so to reduce and then eliminate the risk of work-related accidents, training on occupational health and safety is routinely provided to staff by professional safety officers. In addition, work equipment and machinery are inspected to check that they are in good and safe working order at least once per month. This then contributes to reduced accident rates and the fostering of a safer working culture.
- 2) Training is provided on occupational health and safety for those working on construction sites, including subcontractors employed by the Company.

2.1 XPPL Expansion Phase 1 Between 1 January and 31 December 2023, training was provided to 237 individuals.



2.2 Resettlement Project Between 31 May (the start of the project) and 31 December 2023, training was provided to 87 individuals.



3) Construction work is carried out to a high standard of safety, and as a result no accidents were recorded by staff or subcontractors that resulted in work stoppages.

3.1 XPPL Expansion Phase 1 Between 1 January and 31 December 2023, total 375,784 work-hours were recorded without an accident involving employees or subcontractors that resulted in a work stoppage.

3.2 Resettlement Project Between 31 May (the start of the project) and 31 December 2023, total 257,400 work-hours were recorded without an accident involving employees or subcontractors that resulted in a work stoppage.



### Fostering staff engagement

In 2022, the Company began to carry out a staff satisfaction survey that focused in particular on their opinions of its human resource management. Staff at all levels of the organization provide this feedback, which helps human resource department to understand the hopes and expectations of employees across the organization, and to use this knowledge to finetune human resource systems. The survey elicits responses in six main areas.

<p><b>1</b></p> <p>Responses to staff enquiries about welfare programs are timely and useful.</p>	<p><b>2</b></p> <p>Staff are regularly and rapidly informed about relevant news and information.</p>
<p><b>3</b></p> <p>Staff welfare benefits are appropriate and adequate to enable employees to work efficiently and to maintain positive morale.</p>	<p><b>4</b></p> <p>Provision of staff training is sufficient, and align with employees' responsibilities.</p>
<p><b>5</b></p> <p>Payments to staff made under the Company benefits program are sufficiently rapid and convenient.</p>	<p><b>6</b></p> <p>The Company activities involve all staff equally.</p>

The survey results are used by the human resource department to suggest changes to internal systems that will help to bring these more into line with staff needs and thus increase satisfaction and deepen employee engagement.

### Building staff motivation and improving retention rates among skilled staff

Given its core commitment to corporate human resources, the Company is keen to retain able and skilled staff since not only do resignations add to recruitment costs, but they may also impact operational capacities. The Company therefore uses the data provided by the survey of staff satisfaction with human resource management to improve and develop staff welfare programs, which in 2023 consisted of the following.

- Work practices were relaxed and made more flexible with the implementation of the 'Work from Anywhere' policy.
- Payments for medical treatment were improved with the introduction of a group medical insurance policy.
- Opportunities for professional development were strengthened, allowing staff to grow in their current position or to progress along their career path.
- Improvements were made to the work environment.

Staff motivation may be further increased by the observation that the 2023 resignation rate fell to 20.03%, lower than its rate in 2022.





### Performance on staff welfare and development

The Company is absolutely committed to the strictest possible adherence to the rules and regulations governing labor relations and staff welfare, and foremost in the Company's concerns is the interests of employees and the maintenance of a safe and healthy working environment. The latter is therefore equipped with all the office machinery and equipment necessary to facilitate employees' work. The training opportunities are also made available widely and equally to all. Moreover, compensation is fair and is set in line with employees' individual knowledge and abilities, their work responsibilities, and their performance, as assessed according to criteria determined by the most senior member of staff in their department. The Company also ensures that should disciplinary action ever be necessary, this will be carried out fairly and impartially. Likewise, opinions on company operations and management are also welcome from staff at all levels, and all input is considered without prejudice.

### Community participation

The Company feels a strong responsibility towards both the communities in areas where it is active and the wider society, and in response to this, the Company has adopted a policy of providing support and assistance where this is possible. In particular, corporate efforts are focused on making donations to vulnerable communities, supporting children's education, and participating in community development events. The Company has also prioritized responding promptly and effectively to any impacts arising from its commercial activities that affect communities, the environment or society at large.

The Company's core engineering works can directly improve the quality of life of local communities since some of the projects undertaken by the Company entail the construction of or the making of improvements public infrastructures / utilities, and this may then provide significant benefits for those living nearby. Beyond this, the Company has initiated a formal CSR program to help communities improve their living standards. This is achieved by making donations of clothing, school equipment and study materials to schools in communities where the Company operates. This is in fact a CSR 'after process' program since the Company has just started operating overseas and at present, the Company is in the learning phase of developing and revising its CSR programs with the expectation that these will mature into CSR 'in process' schemes in the coming period.



## 4. Management Team's Analysis and Comments

### 1. The Economic, Industrial, and Operational Environment

Thailand GDP growth dropped to 1.9% in 2023, down from 2.5% in 2022 on ongoing weakness in exports of industrial goods and a drop off in government spending and investment. However, private-sector consumption and investment held up in the year, as did exports and services

In the year, the overall value of the construction industry contracted by -0.6% from its 2022 level, when it had already shrunk by -2.4%. Declines were driven by delays to the 2024 budget and the resulting -3.3% decline in spending on public-sector construction, and as such, work on some government projects has been delayed. However, the volume of work undertaken by state enterprises increased with greater progress on a number of major infrastructure projects, including the buildout of new metro lines. In addition, the market for private-sector construction expanded by 2.9% on strength in both the non-residential segment (especially for industrial and commercial units) and the residential market (including apartment blocks and detached houses).

However, company operations were relatively unaffected by the outlook for the domestic industry or for the Thai economy overall since the business was focused on activities in Lao PDR, and the Asian Development Bank sees the Lao economy growing by 3.7% in 2023. Moreover, the Company is working on sizeable construction projects on behalf of a major, well capitalized private-sector enterprise and so its exposure to changes in the economic outlook in Lao PDR is only limited.

At present, the Company is engaged in two projects with a combined value of Baht 13 billion.

- 1) Phase 1 of the XPPL Expansion is a turnkey contract that covers the construction and improvement of logistics, buildings, and facilities at an industrial mine. The project has a total value of USD 239.9 million (excluding value-added tax) and is scheduled to run for 43 months.
- 2) The resettlement and development of a new community site, which is also a turnkey contract. This covers the construction of a new residential community and associated utilities in Chom Phet District. The project has a total value of THB 5 billion (not including value-added tax) and is scheduled to run over 55 months.

However, because income and expenditure are denominated in a foreign currency, changes in exchange rates may impact profitability.

### 2. Outline of Business Operation

The Company and its subsidiary's profits for the year 2023 were Baht 1,316.4 million, the majority of which comes from two sizable projects in the Lao PDR, Summary of financial performance for year ending December 31, 2023, is as follows:

Description	Consolidated		Separate	Change Inc / (Dec)	%
	2023	2022	2021		
Revenue from construction contracts	2,734.6	1,029.8	18.5	1,704.8	166
Other income	16.2	20.5	26.1	(4.3)	(21)
<b>Total revenues</b>	<b>2,750.8</b>	<b>1,050.3</b>	<b>44.6</b>	<b>1,700.5</b>	<b>162</b>
Cost of construction contracts	862.8	336.6	20.1	526.2	156
Administrative expenses	217.8	123.0	84.6	94.8	77
Loss from exchange rate	10.8	27.7	-	(16.9)	(61)
<b>Total expenses</b>	<b>1,091.4</b>	<b>487.3</b>	<b>104.6</b>	<b>604.1</b>	<b>124</b>
<b>Operating profit (loss)</b>	<b>1,659.4</b>	<b>563.0</b>	<b>(60.1)</b>	<b>1,096.4</b>	<b>195</b>
Finance costs	(4.2)	(3.4)	(1.7)	0.8	24
Income tax expenses	(338.8)	(19.1)	(1.3)	319.7	1,674
<b>Profit (Loss) for the year</b>	<b>1,316.4</b>	<b>540.5</b>	<b>(63.1)</b>	<b>775.9</b>	<b>144</b>
Other comprehensive income for the year	2.4	(2.6)	19.8	5.0	192
Total comprehensive income for the period year	1,318.8	537.9	(43.3)	780.9	145
Earnings per share (Baht)	0.0203	0.0083	(0.0030)	0.0120	145

## Total Revenue

For the year ending December 31, 2023, the Company and its subsidiary generated total revenues of Baht 2,750.8 million, comprised of revenue from construction of Baht 2,734.6 and other income of Baht 16.2 million, the revenue from construction contracts increased Baht 1,704.8 million from the previous year, or 166 percent. This is aligned with its increasing work progress. In addition, the Company has begun to recognize its revenue from new Resettlement project since June 2023.

## Profit (Loss) and Total Comprehensive Income

For the year ending December 31, 2023, the Company and its subsidiary reported net profit amounting to Baht 1,316.4 million and total comprehensive income of Baht 1,318.8 million. Compared to prior year, the Company and its subsidiary reported net profit of Baht 540.5 million and total comprehensive income of Baht 537.9 million.

The Company would like to clarify the changes on the Profit and Loss Statement for the year ending December 31, 2023, which are higher than 20 percent compared to those of the same periods last year, as follows:

### • Total Revenues

Consolidated revenues consisted of Baht 2,734.6 million from construction, other income of Baht 16.2 million. Construction revenue increased by Baht 1,704.8 million or 166% from the prior year due to the increase in progress of construction works at XPPL Expansion Phase 1 Project as well as the progress of the Resettlement project. Other income decreased by Baht 4.3 million from previous year.

### • Cost of Construction

Consolidated construction cost for the year 2023 was Baht 862.8 million, increasing from last year by Baht 526.2 million. This is in line with the construction work progress of the projects.

### • Administrative Expenses

Consolidated administrative expenses for year 2023 were Baht 217.8 million, increasing from previous year by Baht 94.8 million due to an increased number of staffs and consultation fees for feasibility studies of various projects to explore new business opportunities.

• **Finance Costs**

Consolidated finance costs for the year 2023 were Baht 4.2 million, increasing from previous year by Baht 0.8 million due to interest expenses incurred from right of use assets and bank’s transaction fees.

• **Income Tax Expenses**

Consolidated income tax expenses for the year 2023 were Baht 338.8 million, increasing from the previous year by Baht 319.7 million. This is in line with the Company’s profitable performance.

• **Summary of 2023 operating performance**

In 2023, operating results were profitable for the second consecutive year from expanding the construction contracting business market to neighboring countries. This business expansion is in line with the management’s strategy.

For the year ended December 31, 2023, the Company and its subsidiary reported net profit amounting to Baht 1,316.4 million and total comprehensive income of Baht 1,318.8 million. Compared to prior year, the Company and its subsidiary reported a net profit of Baht 540.5 million and total comprehensive income of Baht 537.9 million.

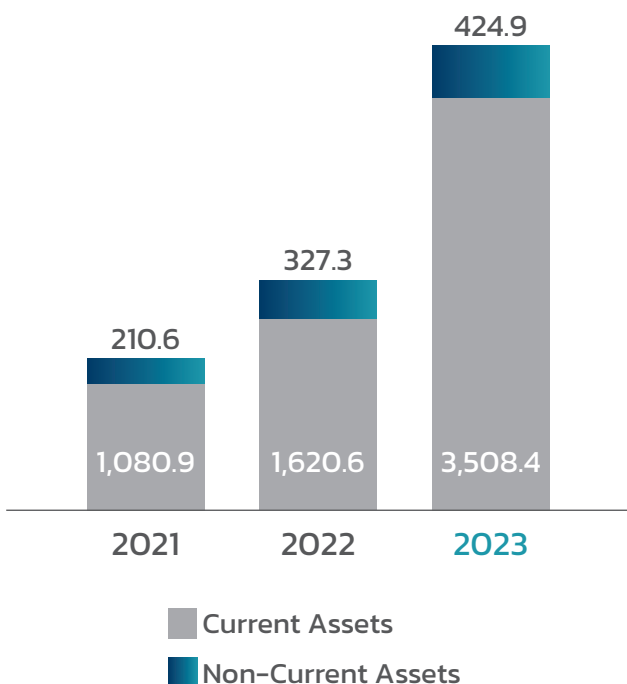
**3. Financial Position**

As of December 31, 2023, the Company and its subsidiary had total assets of Baht 3,933.4 million, total liabilities of Baht 876.4 million and shareholders’ equity amounted to Baht 3,057.0 million.

Unit: Million Baht

Description	Consolidated		Separate	Change Inc / (Dec)	%
	2023	2022	2021		
Total assets	3,933.4	1,947.9	1,291.5	1,985.5	102
Total liabilities	876.4	209.7	91.2	666.7	318
Total shareholders’ equity	3,057.0	1,738.2	1,200.3	1,318.8	76

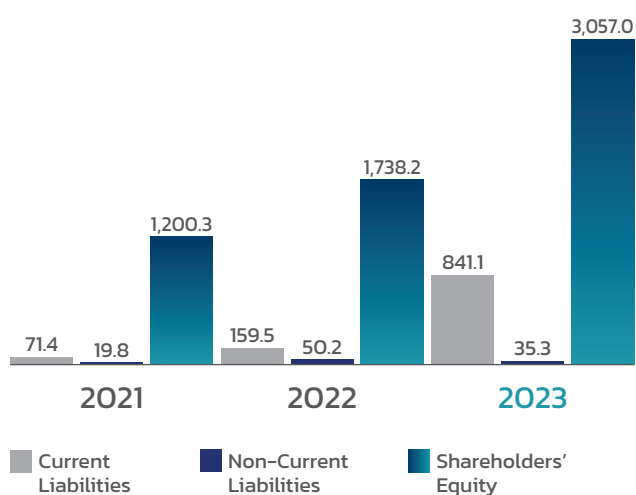
**Assets**



According to the Company and its subsidiary’s consolidated financial statements as of December 31, 2023, its total assets amounted to Baht 3,933.4 million, Baht 3,508.4 million and Baht 425.0 million of which were current assets and non-current assets respectively. Compared to the Company and its subsidiary’s total assets in the amount of Baht 1,985.5 million as of December 2022 representing a Baht 1,985.5 million increase. The significant changes were from

- 1) Current assets increased by Baht 1,887.8 million, from Baht 1,620.6 million in 2022 to Baht 3,508.4 million, of which Baht 536.9 million was from trade and other receivables who received 30-day credit term from the Company, Baht 1,065.2 million increase of unbilled receivables, Baht 682.4 million increase of cash & cash equivalents , netted of decrease in investment in fixed income fund Baht 352.0 million , and Baht 44.7 million increase of other current assets.
- 2) Non-current assets increased by Baht 97.6 million from Baht 327.3 million in 2022 to Baht 424.9 million in 2023, of which Baht 49.6 million increase of retention receivables and Baht 48.0 million increase of other non-current assets.

## Liabilities and Shareholders' equity



### Liabilities

As of December 31, 2023, total liabilities of the Company and its subsidiary's consolidated financial statements were Baht 876.4 million increased by Baht 666.6 million due to the followings.

- 1) Current liabilities increased Baht 681.6 million from Baht 159.5 million in 2022 to Baht 841.1 million in 2023. The major increase was from Baht 376.6 million increase in trade and other payables as construction project started with 30-day credit term granted to the Company, Baht 100.2 million increase of unearned income, Baht 192.5 million increase of accrued corporate income tax due to fully utilized loss carry forward since 2022, Baht 13.3 million increase of retention payables, whereas Baht 12.2 million decrease of short-term loans due to making a payment in full amount, Baht 12.2 million increase of other current liabilities.
- 2) Non-current liabilities decreased by Baht 14.9 million from Baht 50.2 million in 2022 to Baht 35.3 million in 2023. The major change of Baht 11.6 million was a decrease in lease liabilities incurred from office rental being gradually paid.

### Shareholders' equity

As of December 31, 2023, the Company and its subsidiary's shareholders' equity was Baht 3,057.0 million increased by Baht 1,318.8 million as the Company performance was profitable.

		2023	2022	2021
Liquidity ratio	(Times)	4.2	10.2	17.0
Quick ratio	(Times)	4.2	10.2	17.0
Debt to equity ratio	(Times)	0.3	0.1	0.1
Gross profit (loss) margin	%	68.5	67.3	-8.3
Net profit (loss) margin	%	47.9	51.5	-141.6
Return on assets	%	56.4	34.8	-7.6
Return on equity	%	54.9	36.8	-9.3

Remark: Ratios are based on separate financial statements with reclassification in financial statements of 2021

### Liquidity ratio

The Company and its subsidiary's liquidity ratio and quick ratio in 2023 were 4.2 times decreased from it was in 2022. Nevertheless, the Company was profitable and was able to remain its liquidity in appropriate level resulting in sufficiency of working capital.

### Debt to equity ratio

Debt to equity ratio in 2023 was 0.30 times which increased from of 2022.

### Gross and Net profit margins

In 2023, the Company and its subsidiary's gross profit margin was 69.0% and net profit margin was 47.9%.

## 4. Asset efficiency ratio

### Asset quality

Trade accounts receivable

Summary of the Company's accounts receivable aging is shown below.

Unit: million Baht

อายุลูกหนี้	Consolidated financial statements				Separate financial statements	
	2023		2022		2021	
	Amount	%	Amount	%	Amount	%
Not yet due	397.2	53.1	71.8	33.2	-	-
Past due up to 3 months	206.0	27.6	-	-	-	-
Past due 3-6 months	-	-	-	-	-	-
Past due 6-12 months	-	-	-	-	-	-
Past due over 12 months	144.5	19.3	144.5	66.8	144.5	100.0
<b>Total</b>	<b>747.7</b>	<b>100.0</b>	<b>216.3</b>	<b>100.0</b>	<b>144.5</b>	<b>100.0</b>
Allowance for expected credit losses	(144.5)	(19.3)	(144.5)	(66.8)	(144.5)	(100.0)
<b>Net trade receivables</b>	<b>603.2</b>	<b>80.7</b>	<b>71.8</b>	<b>33.2</b>	<b>-</b>	<b>-</b>

In 2023, the Company had accounts receivable past due over 12 months amounting to Baht 144.5 million as in the prior year. In 2020, the Company adopted TFRS 9 (Financial Instruments) for the first time and recorded allowance for expected credit loss in full to cover a full amount of long outstanding accounts receivable. No impact is expected on current accounts receivable.

- The Company and its subsidiary have commitments in respect of various service contracts related to their operation in the amount of Baht 60.2 million and USD 0.03 million (Baht 0.7 million) and the letter of guarantee issued by a financial institution on behalf of the Company to support the normal course of business totaling Baht 13.5 million.

## 5. Liquidity and adequacy capital

### Contractual obligations

As of December 31, 2023, the Company had the following obligations.

- The Company and its subsidiary have future payments for lease agreements of short-term leases rentals and a service agreement of office equipment amounting to Baht 0.20 million.
- The Company and its subsidiary have commitments in respect of project construction service contracts amounting to Baht 556.7 million and US Dollar 29.9 million (Baht 1,031.5 million), and consulting fees for the feasibility study of a project development in the amount of Baht 2.6 million and US Dollar 0.5 million (Baht 17.0 million), respectively.

### Cashflow analysis

The Company and its subsidiary had net cashflow used in operating activities of Baht 768.5 million, Baht 911.1 million of which was for business operations and Baht 142.3 million of which was cash outflow for taxes.

Net cashflow used in investing activities in 2023 totaled Baht 28.5 million, Baht 3.0 million was for office renovation and equipment, Baht 25.6 million was advance payment for future projects.

Net cashflow used in financing activities in 2023 amounted to Baht 30.3 million, Baht 12.2 million was a repayment of short-term loans, Baht 15.1 million was for financial lease agreement and its related interest of Baht 2.9 million.

#### Auditor's fee

In 2023, the Company appointed EY Office Limited as its auditor. The auditing fee was Baht 3,550,000.0 and other expenses of Baht 7,101.7, in addition, an audit fee of the subsidiary USD 11,500 with no other expenses.

## 6. Factors that may impact future operations

### 1) Business expansion overseas

The Company has established a subsidiary and for the first time, it has begun to be active in an overseas market, specifically in Lao PDR. However, the Company is at the early stages of operating in this market and so differences between the legal and regulatory environment, economic conditions, and government policies in Lao and Thailand may impact the Company's future operations.

### 2) Regional conflicts

The continuation of current tensions or the outbreak of new conflicts may drag on the global economy and add to the cost of energy. In this case, the construction, transport, oil refining, and real estate industries will be among those most heavily affected.

### 3) Exchange rate volatility

Because the Company is operating overseas, Some project's income and outgoings are denominated in a foreign currency and so losses and gains related to these will be reflected in company financial reports. Volatility in foreign exchange markets may therefore impact the latter.

### 4) Climate change

Changes to the weather system are closely tracked by the Company since not only does climate change play an important role informing its practical ESG commitments, the Company is also in the process of researching the possibility of moving into the market for clean energy, in particular through the development of pumped storage hydropower systems in Lao PDR. Any changes to the climate that have a significant impact on natural resources could therefore have knock-on effects on future business strategies and operations.

## 5) Supporting business expansion through access to a suitably skilled pool of labor

The Company has been in operation for more than 40 years, and so over the decades, company staff have accumulated a considerable level of expertise in the area of construction. However, fulfilling plans for expansion into new areas of business will require that these individuals receive additional training or that new hires with expertise in the relevant area are taken on. Unfortunately, labor markets around the world, including those in Thailand, are struggling to meet demand and so thanks to a combination of social and technological change, there is a notable shortage of highly-skilled talent.

## 6) Opportunities to generate income from new projects

At present, the Company is engaged in work on two large-scale projects, and the contracts for this work will thus ensure that the Company has a source of income through to 2027. Nevertheless, securing new construction contracts or expanding the Company's businesses into new areas, as is currently under investigation, will be an important factor in ensuring the Company's long-term, sustainable growth.

## 7) Project management

Successful project management with regard to both budgets and schedules is a further important factor influencing the success of the Company.



## 5. General Information and Other Material Facts

### 5.1 General Information

#### 1. Company Information (as of December 31, 2023)

Company Name	PSG Corporation Public Company Limited
Type of Business	Construction contracting services for the projects in the Engineering Procurement Construction (EPC), civil engineering work and engineering systems
Address	11/1 AIA Sathorn Tower 21 <sup>st</sup> floor, South Sathorn Road, Yannawa, Sathorn, Bangkok 10120
Registration Number	0107548000501
Registered Capital	THB 64,992,438,156.00, with a par value of THB 1.00 per share
Paid-up capital	THB 64,992,438,156.00, with a par value of THB 1.00 per share
Total Number of Shares	64,992,438,156 shares
Website	www.psgcorp.co.th
Telephone	02 018 7190 - 8
Fax	02 018 7199
Company Secretary	Tel : 02 018 7190 – 8 Fax : 02 018 7199 Email : com.sec@psgcorp.co.th
Investor Relations	Tel : 02 018 7190 – 8 Fax : 02 018 7199 Email : ir@psgcorp.co.th

#### 2. Name and location of a company in which the Company holds at least 10% of total paid-up capital.

Information of legal entities in which the Company holds 10 percent or more shares are detailed in the caption of the Shareholding structure of the group

#### 3. References

Securities Registrar	Thailand Securities Depository Co., Ltd. No. 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400 Tel : 02 009 9000 Fax : 02 009 9991
Auditor	EY Office Limited 193/136-137, 33 <sup>rd</sup> Floor, Lake Rajada Office Complex, Rajadapisek Road, Klongtoey, Bangkok 10110 Tel : 02 264 0777, 02 661 9190 Fax : 02 264 0789-90



## 5.2 Other Material Facts

- no information which was likely to materially affect the decision of investors was found.

## 5.3 Legal Dispute

**5.3.1** On 24 July 2012, the Company sued a company (the “Contractor”) for breach of the construction contract with computable monetary value claims of Baht 100.2 million and such company sued a counterclaim against the Company in the same lawsuit with computable monetary value claims of Baht 281.02 million. However, as the Company has disclosed information to the Electronic Listed Companies Information Disclosure (ELCID), the Supreme Court made the final judgment. The Contractor had to pay a net compensation of Baht 65.0 million to the Company plus interest 7.5 percent per annum from the date of prosecution until complete payment, and the Contractor had to return a total of 4 copies of letters of guarantee (contract collateral) and letters for advance guarantee to the Company. Currently, the case is in the process of execution by enforcement officers.

**5.3.2** The Company had been involved in a lawsuit arising out of breach of contract in connection with borrowings, of which the amount in dispute was Baht 17.6 million. The case was under the Supreme Court consideration. The Company provided land and buildings belonging to the Company (Note 14) and Baht 15.3 million in cash as security for stay of execution under the Appeal Court’s judgment.

On 15 March 2023, the Supreme Court issued an order rejecting the Company’s request for the Company’s further appeal, ruling that the case had reached its final conclusion. As per the Court of Appeal’s judgement, the Company was required to pay compensation of Baht 19.6 million to a plaintiff. The Company already paid compensation to the plaintiff on 23 March 2023 and reclaimed the security on 1 September 2023.

Since the Company had already recorded a provision for losses arising from the litigation amounting to Baht 7.1 million and the liabilities in its accounts amounting to Baht 12.2 million, the Company recorded additional expenses related to losses arising from the litigation amounting to Baht 0.3 million in profit or loss for the first quarter of the current year.

## 5.4 Secondary Market

The Company does not have any securities listed on any other country’s stock exchanges.

## 5.5 Regular Contact Financial Institutions (only in case of debenture issuance)

The Company does not issue debt instruments.

Part

2

Corporate Governance



## 6. Corporate Governance Policy

### Policy on Good Corporate Governance

The Board of Directors of PSG Corporation PCL (the “Company”) recognizes the deep importance of good corporate governance and understands the centrality of the latter to business operations. This is because the Company’s policy of good corporate governance helps to ensure that the Company is tightly and efficiently managed, performance is continuously monitored, business activities are guided by sound ethical principles, and data release is transparent, comprehensive and lawful. Beyond this, the policy also builds confidence in the Company, creates sustainable growth in shareholder returns, and deepens and improves relationships with stakeholders.

Given this, the Company has established a policy to guide its corporate governance that is in line with the guidelines laid out by the Stock Exchange of Thailand for publicly listed companies. This policy has the goal of helping directors, executives and staff to better understand and apply these principles when discharging their duties. These policy documents shall be reviewed at least one (1) time per year and shall be published on the Company website, where they may be consulted by shareholders, investors, stakeholders, and members of the public. The Company’s corporate governance policy is built on the following principles.

- The Company shall treat all shareholders equally.
- The Company shall treat all stakeholders in the Company fairly.
- To generate the greatest shareholder value, the Company shall build long-term added value, operate with care and consideration, and meet its responsibilities fully and comprehensively. The Company shall also ensure that conflicts of interest do not arise, and that it takes full responsibility for its decisions and actions.
- Company operations shall be guided by the principles of transparency, ethics, and accountability. To guarantee that stakeholders and shareholders enjoy equal access to Company news, information shall be released in a timely fashion. This shall extend to include both financial and non-financial information, and a dedicated department shall be responsible for managing the release of this to investors and to members of the public.

- Business operations shall also be carried out with care, especially with regard to risk management. The Company shall thus engage in an ongoing process of risk assessment and reduction.
- A code of conduct outlining the responsibilities and ethical standards required of executives and staff shall be available, and the Board of Directors, management, and staff shall be expected to adhere strictly to the principles outlined within this. This code of conduct underlines the importance of clients and customers, and because these are key to the Company’s success, products shall always and everywhere meet the highest standards, and aftersales services shall be honest, fair, and exemplary. In accordance with the requirements of the Stock Exchange of Thailand, the good corporate governance policy shall also underscore the importance of internal control and audit systems, and executive supervision shall ensure that the policy is tightly enforced. This shall thus help to ensure that the Company operates within the relevant legal and ethical framework, and that it generates long-term shareholder value.
- To ensure that they are fully apprised of the roles of and responsibilities incumbent on the Board of Directors and executives, members of the Board of Directors and other senior executives are encouraged to attend training sessions offered by the Thai Institute of Directors Association and other providers.

Note: The full Corporate Governance Policy is in Appendix 5 and [www.psgcorp.co.th](http://www.psgcorp.co.th).

### 6.1 Overview of the Policy and Guideline on Corporate Governance

The Company’s Board of Directors recognizes the importance of corporate governance. It ensures that the Company’s operations align with the principles set forth by the Stock Exchange of Thailand (SET). The Company has updated its Corporate Governance Policy to comply with the SET’s 2017 Corporate Governance Code for Listed Companies, which includes guidelines from the Good Corporate Governance for listed companies developed in 2006 and 2012. This policy outlines eight key principles for the Board of Directors to follow.

- Principle 1** Recognize and acknowledge the roles and responsibilities of the Board of Directors in their position as leaders of an enterprise for which they sustainably create value
- Principle 2** Define sustainable business goals and objectives
- Principle 3** Develop and expand the effectiveness of the Board of Directors
- Principle 4** Recruit and develop senior executives and implement exemplary human resource management
- Principle 5** Promote innovation and responsible business leadership
- Principle 6** Ensure that appropriate internal controls and risk management systems are in place
- Principle 7** Maintain the Company's reputation for exemplary financial management and disclosure
- Principle 8** Support and encourage shareholder participation and maintain open channels of communication with these

### 6.1.1 Policies and Guidelines Concerning the Board of Directors

The Company's Board of Directors is composed of individuals with diverse qualifications and skills, including relevant experience and unique capabilities that are beneficial to the Company. The diversity of experience among the directors is expected to bring significant benefits to the business. All members of the Board are committed and perform their duties to the best of their ability. The shareholders appoint the Board of Directors, who then formulate policies, strategies, and guidelines for the Company's operations and establish sub-committees to oversee specific areas. The Board is also responsible for appointing the management team in charge of day-to-day operations and a Company Secretary to manage matters related to Company meetings, legal compliance, and the appointment of the Company's auditor.

Furthermore, the Board of Directors is accountable for ensuring that all directors and executives fulfill their responsibilities with due care and loyalty toward the Company. They must ensure that operations are in accordance with laws, regulations, and the resolutions made by the shareholders. The Board must also oversee the performance of directors and executives to ensure that they discharge their duties with responsibility, caution, and integrity.

### Nomination of Directors Independent Directors, Members of the Audit Committee

The Company has a Nomination and Remuneration Committee (NRC) in place to identify and recruit suitable candidates for appointment as directors. In the event of a vacancy on the Board of Directors, the NRC will be responsible for sourcing and selecting a replacement. The selection criteria include a candidate's relevant knowledge, skills, business experience, and qualifications in compliance with the Public Company Limited Act, the Securities and Exchange Act, the Securities and Exchange Notifications, and the Stock Exchange of Thailand Notifications.

### Board structure

- The minimum number of directors on the Board of Directors is five, elected during a shareholders' meeting. At least half of the directors must be Thailand residents.
- The Company's Board of Directors is diverse, comprising qualified individuals with various skills, experiences, and unique capabilities that benefit the Company. Each director has relevant experience in the Company's primary business or industry. The term of service for each director is three years.
- The composition and qualifications of directors and independent directors are in line with the Good Corporate Governance principles and regulations established by the Stock Exchange and the Securities and Exchange Commission of Thailand.
- The Company has established clear policies and procedures that permit the Chief Executive Officer and senior executives to take on director positions at other companies as required, as long as such appointments do not interfere with their duties and responsibilities to the Company. Such appointments must be approved by either the Board of Directors or an authorized representative of the Company.
- At least one non-executive director must possess knowledge and experience relevant to the Company's business.
- To ensure a proper balance between management and good corporate governance, the Chairman of the Board of Directors is distinct from Chairman of the Executive Committee. At least one-third of the entire Board of Directors must consist of independent directors to establish a system of checks and balances, promote efficiency, and ensure transparency. The Company has clearly defined the roles and responsibilities of its directors to prevent any one individual from having undue influence.

## Directors' Qualifications

- The Company directors must meet the required qualifications and must not possess any characteristics prohibited by the Public Company Limited Act B.E. 2535 and the Securities and Exchange Act B.E. 2535. They must also not have any characteristics that would be deemed unsuitable for managing publicly owned enterprises, in accordance with the Securities and Exchange Commission Notifications.
- The directors must have the knowledge, competency, skills, and work experience that are beneficial to the Company and must be able to devote sufficient time to perform their duties as outlined in their terms of reference. All directors will be evaluated objectively, regardless of gender, race, religion, age, or any other special abilities.
- A director may serve on the Board of Directors of no more than five listed companies registered with the Thailand Stock Exchange, including appointments as directors of other companies.
- The qualifications of independent directors must comply with the definition of independent directors as specified by the Company.

## Appointment of Directors

- At each annual general meeting of shareholders, one-third of the directors must resign from their positions. If the number of directors resigning does not exactly equal one-third, the closest number will resign. In the first and second years after the Company's registration, the directors to resign will be selected by lot. In subsequent years, the directors who have been in office the longest will retire. Directors who are retiring due to rotation may be re-elected.
- Directors are elected by a majority vote at the shareholders' meeting in accordance with the following rules and procedures:
  1. Each shareholder has a number of votes equivalent to the number of shares they own.
  2. Each shareholder must vote to elect one or more directors. If several directors are elected, the votes cannot be divided among them in any proportion.
  3. The candidates receiving the most votes in descending order are elected as directors based on the number of directors to be appointed at that time. In the event of a tie vote between the second-highest or lower-ranking candidates, the presiding Chairman shall have a deciding vote.

- If a director's position becomes vacant for reasons other than the end of their term, the NRC shall nominate a qualified individual who does not have any prohibited characteristics, to fill the vacancy. This nomination must be approved at the next Board of Directors' meeting unless the remaining term of the outgoing director is less than two months.
- The individual who replaces a resigned director will hold the position only for the remainder of the previous director's term. A resolution by the Board of Directors, consisting of no less than three-fourths of the votes of the remaining directors, will be considered valid.
- The shareholders' meeting may pass a resolution to remove a director from office before the end of their term with a vote of no less than three-fourths of the number of shareholders attending the meeting and eligible to vote, provided that these shareholders hold at least half of the total shares held by all eligible voting shareholders in attendance.

## Nomination of Independent Directors and Members of the Audit Committee

The term of service for independent directors and members of the Audit Committee (AC) is three years. Independent directors and Audit Committee members who retire due to rotation may be re-appointed. The Company mandates that independent directors must make up at least one-third of the total number of directors on the Board, but not fewer than three individuals. The AC must consist of a minimum of three independent directors.

To comply with the Stock Exchange of Thailand's corporate governance guidelines, the Company has established a requirement that independent directors may serve a maximum of nine consecutive years from the date of their first appointment. At present, none of the six independent directors has served for more than nine years (refer to Appendix 1 for more information).

As per the Securities and Exchange Commission and the Stock Exchange of Thailand Notifications, all independent directors must meet the following qualifications:

**An independent director** is defined as a director who does not have any commercial or related interests that could compromise their ability to make impartial decisions. In accordance with the regulations of the Securities and Exchange Commission, independent directors must possess the following qualifications:

- 1) Must not hold more than 1% of the total number of shares in the Company, its parent Company, subsidiary companies, associated companies, major shareholders, or entities that control the Company. The shareholdings of any related individuals of the independent director will also be considered.
- 2) Must not have been or currently be an executive director, employee, staff member, or advisor on payroll, or a controlling person of the Company, its parent Company, subsidiary companies, associated companies, same-level subsidiary companies, major shareholders, or entities that control the Company. This restriction does not apply if the individual has not held such positions for at least two years prior to the date of application to the SEC Office. However, this restriction does not apply to individuals who have previously served as government officials or advisors to a government unit that is a major shareholder of the Company or an entity controlling the Company.
- 3) Must not be a blood relative or legally registered as a parent, spouse, sibling, or child, including the spouse or child of any other directors, executives, major shareholders, controllers, or individuals nominated as directors, executives, or controlling persons of the Company or its subsidiaries.
- 4) Must not have or have had a business relationship with the Company, its parent Company, subsidiary companies, associated companies, major shareholders, or entities that control the Company that could impede the exercise of impartial judgment. This restriction does not apply if the individual has retired from such a position for at least two years prior to the date of application to the SEC Office.
- 5) Must not have served as an auditor of the Company, its parent Company, subsidiary companies, associated companies, major shareholders, or entities that control the Company and must not be a shareholder, controlling entity, or partner of the contracted audit firm for the Company, its parent Company, subsidiary companies, associated companies, major shareholders, or entities that control the Company. This restriction does not apply if the individual has retired from such a position for at least two years prior to the date of application to the SEC Office.
- 6) Must not have provided professional services of any kind, such as legal or financial advice, and must not have received service fees of more than Baht 2 million per year from the Company, its parent Company, subsidiary companies, associated companies, major shareholders, or entities that control the Company. They must also not be a major shareholder, controlling person, or partner in such a service provider, unless they have ended such relationships for at least two years prior to the date of application for SEC approval.
- 7) Must not be a director appointed to represent the Company's directors, major shareholders, or shareholders affiliated with a major shareholder.
- 8) Must not operate a business that has the same nature as the Company or its subsidiaries and competes directly with them or must not be a significant partner in a partnership, director involved in management, staff member, employee, consultant receiving a regular salary, or shareholder owning more than 1% of the total voting shares in other companies that conduct businesses similar to the Company or its subsidiaries.
- 9) Must not have any other qualities that prevent them from independently expressing opinions on the Company's operations.

A "business tie" as mentioned in the first paragraph, refers to any transaction that results in the Company or its counterparty owing the other party an amount equal to or greater than three percent of the Company's net tangible assets or Baht 20 million, whichever is lower. This includes common business transactions such as renting or leasing real estate or assets, providing, or receiving financial assistance in the form of loans, guarantees, or using assets as collateral, and other similar transactions. The calculation of the value of such transactions is governed by the Capital Market Supervisory Board's Notification on Rules for Connected Transactions. Additionally, debt obligations incurred one year prior to the start of the commercial relationship with the same individual are also included in this calculation.

The independent director may subsequently be assigned by the Board of Directors after being appointed as an Independent Director, with the characteristics specified in Clauses 1 to 9, to decide on the operation of the Company, a parent Company, a subsidiary Company, an associated Company, a same-level subsidiary, a major shareholder, or an entity controlling the Company, in the form of a collective decision.

After being appointed as an independent director and possessing the qualities specified in Clauses 1 to 9, the independent director may be assigned by the Board of Directors to participate in decision-making processes (collective decision) regarding the operations of the Company, its parent Company, subsidiary companies, associated companies, same-level subsidiary, major shareholders, or entities that control the Company.

## Conflict of Interest

To prevent conflicts of interest among the Company's stakeholders, the Board of Directors has established a clear policy and procedures to approve connected transactions. The Board is obligated to use its best independent judgment to identify transactions that present conflicts of interest and are considered connected transactions in accordance with ethical standards and the regulations set by the Stock Exchange of Thailand. This includes ensuring that the terms and price of the transactions are determined on an arm's length basis. In cases where a director has a conflict of interest in a particular agenda, they must abstain from participating in or voting on that matter. The Audit Committee is responsible for providing opinions on these transactions and ensuring that information about them is disclosed adequately. The connected transactions are disclosed in the Company's Annual Report under the Related Party Transactions section.

## Stakeholder Report

For transparency and to prevent conflicts of interest, the Board of Directors has established guidelines for reporting any conflicts of interest among Directors and Executives of the Company. These guidelines ensure that all stakeholders are aware of any potential conflicts of interest and can make informed decisions: -

- On the day they take office, Directors, and Executives, along with any family members who have a relationship with the Company or are shareholders, must submit a stakeholder report to the Company. The report must be reviewed annually or within seven days of any changes to the information.
- Directors and Executives must promptly report any changes in their holdings of the Company's securities to the Securities and Exchange Commission (SEC) within three days of such change.
- The Board of Directors has designated the Company Secretary as the responsible person for filing the reports.

## Self-evaluation of the Board of Directors

The Board of Directors carries out an annual self-evaluation of its individual members and sub-committees to assess the challenges and obstacles faced during the past year. This evaluation is performed both collectively and individually, and the Board adapts the evaluation method recommended by the Stock Exchange of Thailand to suit the needs of the Company's business operations. Details are as follows: -

## Collective self-evaluation of the Board of Directors

- 1) Structure and qualifications of the Board of Directors
- 2) Board meeting
- 3) Roles, duties, and responsibilities of the Board of Directors
- 4) Relationship between Board of Directors and Executives and their self-development

## Collective self-evaluation of the Sub-committees

- 1) Structure and qualifications of the Sub-Committee
- 2) Sub-committee meeting
- 3) Roles, duties, and responsibilities of sub-committees

## Individual self-evaluation of the Board of Directors and the Sub-committee

- 1) Structure and qualifications of the Board of Directors
- 2) Board meeting
- 3) Roles, duties, and responsibilities of the Board of Directors

## Professional Development of the Directors and Executives

- The Company emphasizes training and development opportunities to enhance the skills and abilities of all individuals involved in its corporate governance system. This focus helps to ensure the effective and efficient operation of the Company.
- The management has compiled a collection of relevant documents to assist new directors in performing their duties, understanding the business, and following established guidelines. These materials provide valuable information for onboarding and ensure a smooth transition into the role.
- A succession plan has been established to address the possibility of the Chief Executive Officer and/or senior management being unable to fulfill their responsibilities. The plan includes a management development plan to ensure seamless continuity of operations. The development and succession plans are designed to provide a clear path forward in the event of an unexpected absence of top executives and to promote the pipeline of future leaders within the organization.

## Board Reporting

The Board of Directors is responsible for disclosing its role in preparing financial statements, as outlined in the Company's annual report (Form 56-1 One Report), along with the auditor's report. The report must include, at a minimum, the information required by relevant laws, regulations, or requirements.

## 6.1.2 Policies and Guidelines Concerning Shareholders and Stakeholders

The Company recognizes the significance of its shareholders and stakeholders from all sectors and has therefore established policies and guidelines for its directors, executives, and employees to follow when interacting with them. These guidelines ensure that all parties are treated fairly and respectfully in their dealings with the Company.

**Shareholders:** The Company acknowledges and upholds the fundamental rights of its shareholders and commits to not engage in any practices that would infringe upon or diminish these rights. It operates with integrity, openness, and accountability, adhering to the principles of good corporate governance, particularly regarding the protection of shareholder rights and fair treatment of all shareholders.

### Shareholders' rights

The Company recognizes and upholds the fundamental rights of its shareholders, including institutional shareholders, including the right to purchase, sell, or transfer shares, participate in the Company's profits, receive relevant business information, vote in shareholder meetings to appoint or remove directors, appoint auditors, and make decisions regarding important Company matters such as dividend distribution, amendment of the Company's articles and memorandum of association, capital reduction or increase, and approval of special transactions, among others. The Company is committed to not taking any actions that would violate or diminish these rights.

With this in mind, the Board of Directors has implemented a policy to promote and facilitate participation by all types of shareholders - Thai, foreign, retail, and institutional investors - in shareholder meetings. The policy details are as follows: -

### Policy on Promoting and Enhancing Shareholder Participation in Meetings

#### Shareholders' Meeting

- The Company shall hold an Annual General Meeting of Shareholders as needed, and convene Extraordinary Shareholder Meetings in accordance with Thai laws and regulations set by the Stock Exchange of Thailand.
- The Company actively encourages participation from all types of shareholders, including institutional shareholders, in the shareholder meetings.

- The Company shall ensure that the meeting invitation package, along with its attachments, provides comprehensive information regarding the date, time, location, and agenda of the meeting, as well as the purpose and background of each agenda item and the opinions of the Board of Directors. The information should be presented to allow shareholders sufficient time to prepare for the meeting. The Company will dispatch the meeting invitation and related documents at least seven days prior to the meeting (or as required by law).
- The Company is committed to facilitating full exercise of shareholder rights to attend meetings and cast their votes. To this end, the Company will schedule meetings on working days at hotels or other locations in and around Bangkok that are easily accessible to shareholders.
- To preserve the rights of shareholders to attend the meeting or appoint a proxy, the Company includes information regarding the relevant rules and required documentation in the invitation letter to the shareholder meeting. This ensures that shareholders know and understand the necessary steps to participate in the meeting.
- If shareholders are unable to attend the meeting in person, the Company permits them to appoint independent directors or another representative to attend on their behalf using the appropriate proxy form (Form A, Form B, or Form C), which was included with the meeting invitation.

The 2023 Annual General Meeting of Shareholders of the Company was held on April 24, 2023, via electronic media. To facilitate shareholders attending the meeting.

### Conducting for the meeting

#### Before the Meeting

- In 2023, The meeting notice and relevant documents were made available via QR codes by the Company. The Company also urged shareholders to elect independent directors to cast their votes on their behalf rather than attending in person.
- For shareholders to get the most out of the meeting and fully preserve their legal rights, they can inquire about the agenda in advance by emailing [com.sec@psgcorp.co.th](mailto:com.sec@psgcorp.co.th)
- The invitation letter was distributed with information on all topics in both Thai and English. The meeting notice included objectives and reasons, the Board's opinions and significant information according to the Department of Business Development, Ministry of Commerce specifies.



### On the Day of the Meeting

- The Company will employ barcode technology and a specialized shareholders' meeting program to enhance the efficiency, accuracy, and precision of the registration, vote counting, and results display processes during the AGM.
- Meeting attendees included directors, executives, and E.Y. Office Limited ("EY") external auditors to respond to shareholders' inquiries and acknowledge their viewpoints. The 2023 AGM was attended by a total of 10 directors, which accounted for 100% of the Board. The Chairman of the Board, chairmen of the sub-committees, Chief Executive Officer, and executives gave thorough explanations of the subjects on the agenda and responded to shareholders' inquiries.
- The shareholders' meeting was conducted according to the agenda that was specified in the invitation letter. The shareholder meeting notice contained objectives and reasons, the Board's opinions, and significant information. Ad hoc agenda items were not added during the meeting.
- The Company shall allocate adequate time for shareholders to voice their opinions and ask questions during the meeting.
- Before the meeting, the Company will clarify the voting process and method for presenting the voting results. If multiple agenda items are on the schedule, the Company will ensure that voting takes place separately for each item, such as the appointment of directors.
- The Company will compile a list of directors who attend or do not attend the meeting and the number of shareholders who approve, oppose, or abstain from voting on each agenda item. The Company will also record questions and answers, shareholder opinions, and the explanation of the voting process and presentation of the voting results prior to the meeting.

### Preparation of Meeting Minutes and Disclosure of Meeting Resolutions

- The Company will publicly disclose the voting results of each agenda item from the Annual General Meeting through the Stock Exchange of Thailand's information dissemination system and the Company's website the next business day. In 2023, the summary was made accessible after 5:00 p.m. on April 24, 2023, the same day as the AGM.

- In accordance with regulations, the Company will prepare thorough minutes of the Annual General Meeting of Shareholders and submit them to the Stock Exchange of Thailand within 14 days of the meeting date. The Company will also publish the carefully documented meeting minutes, including the voting results and shareholder questions for each agenda item was made accessible to shareholders on the Company's website on May 8, 2023.

### Fair Treatment of Shareholders

The Company values the rights of all shareholders, including executives and non-executives, foreign shareholders, and minority shareholders. It is dedicated to ensuring fair and equal treatment of all stakeholders. To achieve this, the Board of Directors has implemented the following policies: -

- The shareholder meeting will be conducted according to the agenda specified in the meeting notification. It will not include any unplanned or surprise agenda items, particularly those that require prior preparation time for shareholders or those proposed by the director or executive shareholders.
- The Company permits shareholders who cannot attend the meeting to appoint independent directors or another representative to attend on their behalf through proxy forms A, B, or C (as applicable), which will be sent with the meeting notification. For each agenda item, ballots will be created using a barcode system, and shareholders will be able to cast their votes as they choose. Prior to announcing the results, any pre-cast votes from the proxy forms will be added to the total votes collected on the day of the meeting. The Company will collect the cast ballots before announcing the voting results to ensure transparency and support future audits.
- The Company will ensure full protection of shareholder rights by allowing shareholders to register to attend the meeting even after the registration period has expired.
- In the agenda item for the appointment of directors, shareholders can exercise their voting rights to appoint individual directors.
- The Chairman of the Board of Directors, directors, relevant executives, and chairpersons of sub-committees are responsible for participating in the shareholder meeting and answering shareholder questions. The meeting minutes will document key questions and opinions for future reference.

- To prevent conflicts of interest with any of the Company’s stakeholders, the Board of Directors has established a comprehensive policy and procedure for evaluating related transactions. The Board of Directors is responsible for making impartial decisions about the suitability of a related transaction within an ethical framework and in compliance with Stock Exchange of Thailand regulations regarding price and terms, as if it were conducting business with a third party (on an arm’s length basis). Directors with conflicts of interest are prohibited from participating in or voting on the related transaction. Additionally, the Audit Committee is tasked with reviewing and commenting on related transactions. The Company will disclose information regarding related transactions in its Annual Report under the section titled Related Party Transactions.
- The Company has implemented a policy to regulate the handling of inside information, which prohibits directors, executives, and those who have access to inside information from disclosing it to third parties without proper justification, and from using such information for personal gain. The policy also requires directors and executives to report any changes in securities holdings as mandated by the Securities and Exchange Commission. To ensure the proper use of inside information, the Company has established clear written rules and regulations (as outlined in the section on the supervision of inside information) and has disseminated these policies to employees at all levels. Additionally, directors and executives who are legally required to report their shareholdings must do so regularly and make this information public in the Annual Report (as detailed in the section on shares held by directors and executives).
- The Company will provide updated information about the Company to the Stock Exchange of Thailand and make it accessible on the Company’s website in both Thai and English. The Company also establishes a communication channel with shareholders through its website, enabling shareholders to ask questions and receive information in an equitable manner.
- All directors and senior executives are required to disclose their interests to the Board of Directors for recognition.

### Monitoring the Handling of Confidential Information

The Company implements the following policies to regulate the handling of confidential information: -

- 1) Directors, executives, employees, and temporary workers of the Company are required to keep the Company’s inside information confidential.
- 2) Directors, executives, employees, and temporary workers of the Company must not reveal confidential and/or inside information of the Company for personal advantage or to benefit any other individual, either directly or indirectly, with or without compensation.
- 3) Directors, executives, and employees of the Company are forbidden from trading, transferring, or accepting transfers of the Company’s securities using the Company’s confidential and/or inside information. Additionally, they are prohibited from entering into any other legal agreement based on the Company’s confidential and/or inside information that may harm the Company, either directly or indirectly.

In accordance with these policies, directors, executives, employees, and temporary workers within departments with access to confidential information should abstain from trading the Company’s securities for one month before releasing financial statements to the public. This requirement extends to the spouses and minor children of the Company’s directors, executives, employees, and temporary workers. Any violations of these regulations will be considered a serious offense.

- 4) As required by Section 59 of the Securities and Exchange Act B.E. 2535, directors and executives of the Company must report changes in securities holdings for themselves, their spouses, and minor children to the Securities and Exchange Commission.

Non-compliance with the regulations on the handling of confidential information will result in penalties as specified in the Public Company Act, the Securities and Exchange Act B.E. 2535, and other applicable laws, as well as Company announcements, rules, and regulations, and those of related agencies such as the Stock Exchange of Thailand and the Securities and Exchange Commission.

### Role of Stakeholders

The Company recognizes the importance of all its stakeholders. It has established a policy to treat each group fairly and with respect, in accordance with the law and any agreements with the Company. This includes customers, employees, business partners, shareholders and investors, creditors, and the communities where the Company operates, as well as competitors and independent auditors. The Company is committed to protecting the rights of all its stakeholders and will not take any actions that violate those rights. The Company places a high value on and supports the safeguarding of stakeholders' rights under relevant laws.

The Company treats all stakeholder groups fairly, including customers, employees, business partners, shareholders or investors, creditors, the local community, society, government, competitors, and independent auditors. The Company will consider these groups' legal or contractual rights and will not take any actions that would violate their rights. The Company prioritizes and supports the protection of stakeholder rights. The Board of Directors has developed the following policy on equal treatment of key stakeholders: -

**Customer:** The Company prioritizes customer satisfaction and the protection of their confidentiality. The Company continually strives to meet customer needs through developing new services and implementing efficient systems and procedures throughout the procurement process, from project selection to after-delivery services. (See further details in the Procurement of Products and Services section).

The Company has established clear policies and guidelines as follows: -

- 1) The Company is committed to ethical marketing practices, providing customers with accurate and complete information about its services without using deceptive, unclear, or exaggerated advertisements. This is to guarantee that customers have the necessary and appropriate information to make informed choices.
- 2) The Company prioritizes customer safety and strives to deliver quality and safe services that meet international standards and comply with relevant safety regulations. The Company's service design, creation, and development processes are focused on meeting customer expectations for quality, standards, and safety.
- 3) Additionally, the Company has established a clear channel for customers to communicate their needs and provide feedback, including a customer service center and an online feedback form on its website. The Company is dedicated to promptly addressing any customer concerns and continuously improving its services based on customer feedback.
- 4) The Company shall keep customer information confidential and will not misuse such information.
- 5) The Company engages in various initiatives to cultivate and maintain sustainable customer relationships.

**Business Partners/Creditors:** The Company procures goods and services from business partners in an equitable and fair manner, strictly adhering to the terms

and agreements with its partners and trade creditors. The selection process for suppliers of raw materials, subcontractors, and rental of construction equipment has been established with clear policies and guidelines. (Please refer to the Procurement of Products and Services Section for more information.)

- 1) The Company prohibits any actions that infringe on intellectual property rights and encourages its executives and employees to use Company resources and assets effectively, utilize licensed products and services, and avoid practices that violate intellectual property rights.
- 2) The Company has established standardized procedures for conducting commercial transactions with both domestic and international partners, ensuring adherence to all commercial terms and requirements. This helps to promote fairness and transparency in all business dealings and protects the Company's and its partners' interests.

**Competitors:** The Company abides by the principle of fair competition, prioritizing quality and maximizing customer benefits. It adheres to standards of ethical competition and will not engage in any deceptive practices in competition.

**Intellectual Property and Copyright:** The Company has established a policy to ensure compliance with intellectual property and copyright laws. The Company will respect the intellectual property and copyright of third parties and will not use their work or information in any way that infringes on their rights. The Board of Directors is responsible for ensuring that this policy is followed by all employees and stakeholders of the Company.

**Community/Operation Area:** The Company is committed to minimizing environmental and safety impacts caused by its construction activities in local communities.

**Society or Government:** The Company has established a policy to promote legal compliance and prevent corruption in its operations.

**Participation in Community or Social development:** Being socially responsible, the Company is committed to promptly and effectively addressing social and environmental impacts that may arise from its operations. The Company is dedicated to responding to events that affect the community, society, and the environment and encourages its employees to adopt a socially and environmentally responsible mindset.

## 6.2 Business Ethics

### Business Ethical Standards and Code of Conduct

The Company's Business Ethics and Code of Conduct apply to Directors, Executives, and PSG Corporation Public Company Limited employees, who must abide by the principles outlined in the Code of Conduct.

#### 1) Business Ethical Standards

- 1.1 The Company requires all to abide by its bylaws and regulations to ensure ethical and responsible business practices.
- 1.2 The Company requires all to protect the assets and interests of the Company.
- 1.3 The Company is committed to providing fair, transparent, and professionally ethical treatment to all stakeholders, including customers, employees, business partners, shareholders or investors, creditors, the community in which the Company operates, society, government, and competitors, and independent auditors.
- 1.4 The Company respects the rights of stakeholders in accordance with relevant laws or agreements.
- 1.5 The Company prohibits its employees from engaging in business activities that compete with the Company or that would put the Company at a disadvantage in the marketplace.
- 1.6 The Company encourages its employees to abide by the laws and regulations and supports initiatives that align with this goal.
- 1.7 The Company strengthens the capacity of employees by providing training and development opportunities to enhance their skills and knowledge.

#### 2) Ethical Standards and Code of Conduct for Directors and Executives

- 2.1 The Company's policy demands that its Directors and Executives uphold ethical, honest, and fair conduct in carrying out their responsibilities and oversee business operations in a transparent and trustworthy manner.

- 2.2 The Company requires its Directors and Executives to comply with all relevant laws, regulations, the Company's bylaws, and principles of good corporate governance.
- 2.3 The Company has established measures to ensure its policies' effective and efficient implementation.
- 2.4 The Company ensures that good judgment, independence, and ethics are maintained when making decisions on transactions involving conflicts of interest and related parties. It adheres to the regulations of the Stock Exchange of Thailand when considering prices and conditions as if dealing with an independent third party.
- 2.5 The Company is committed to ensuring the confidentiality and responsible use of the Company's confidential and inside information and refrains from any actions that may result in personal benefit or gain.

#### 3) Ethical Standards and Code of Conduct for Employees

- 3.1 The employees of the Company are expected to carry out their duties with transparency and integrity.
- 3.2 The employees are expected to maintain the confidentiality of the Company's confidential and inside information and not misuse it for personal benefit or advantage.
- 3.3 The employees are expected to observe and comply with the laws, rules, regulations, good corporate governance principles, and related policies while performing their duties.
- 3.4 The Company requires its employees to be accountable and prudent and prioritize the Company's best interests in their actions and decisions.
- 3.5 The Company requires its employees to continuously improve the quality of work and take responsibility for the results of the work performed.

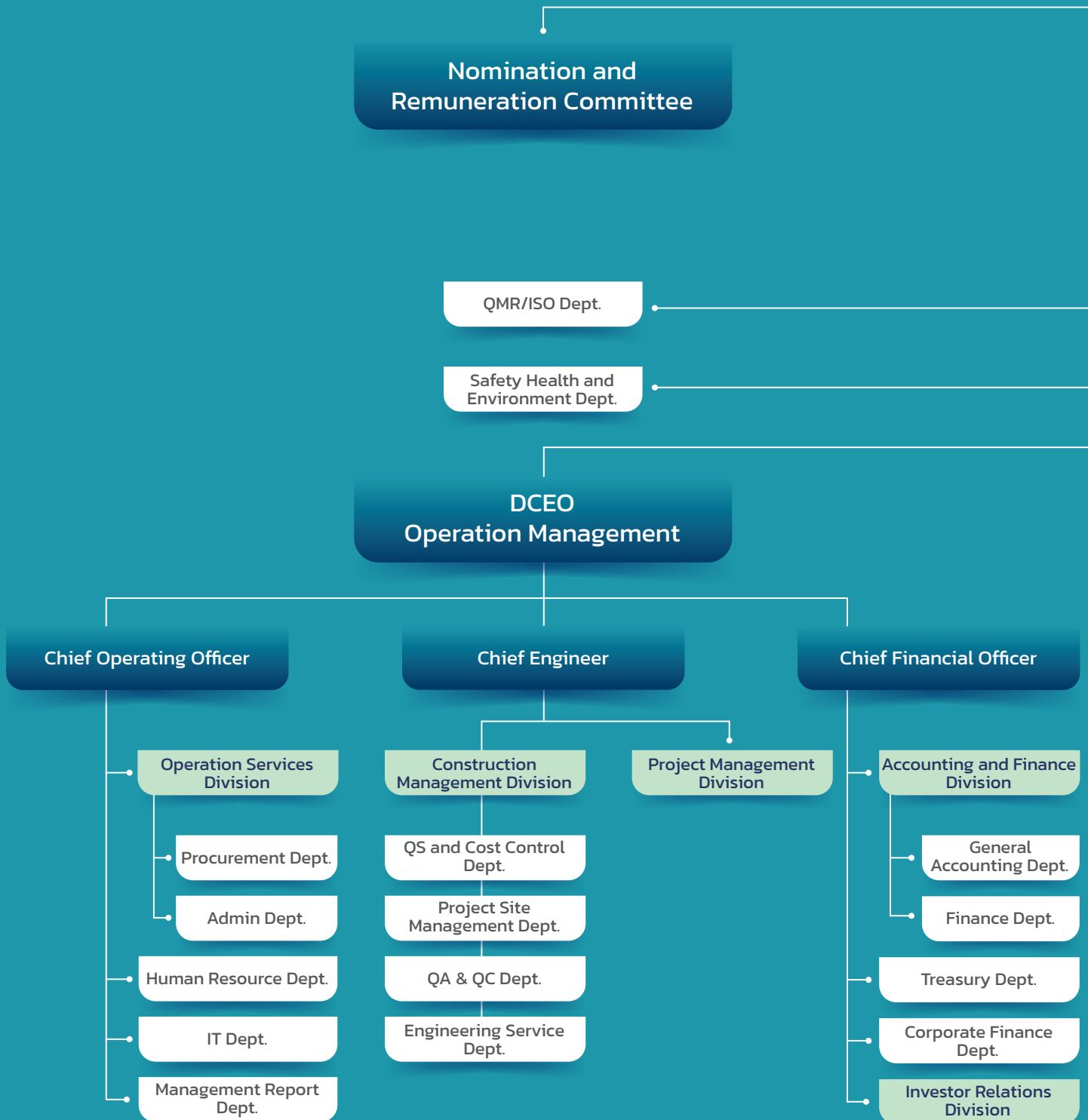
The complete Code of Business Conduct and its details can be found in Appendix 5 and on the Company's website at [www.psgcorp.co.th](http://www.psgcorp.co.th).

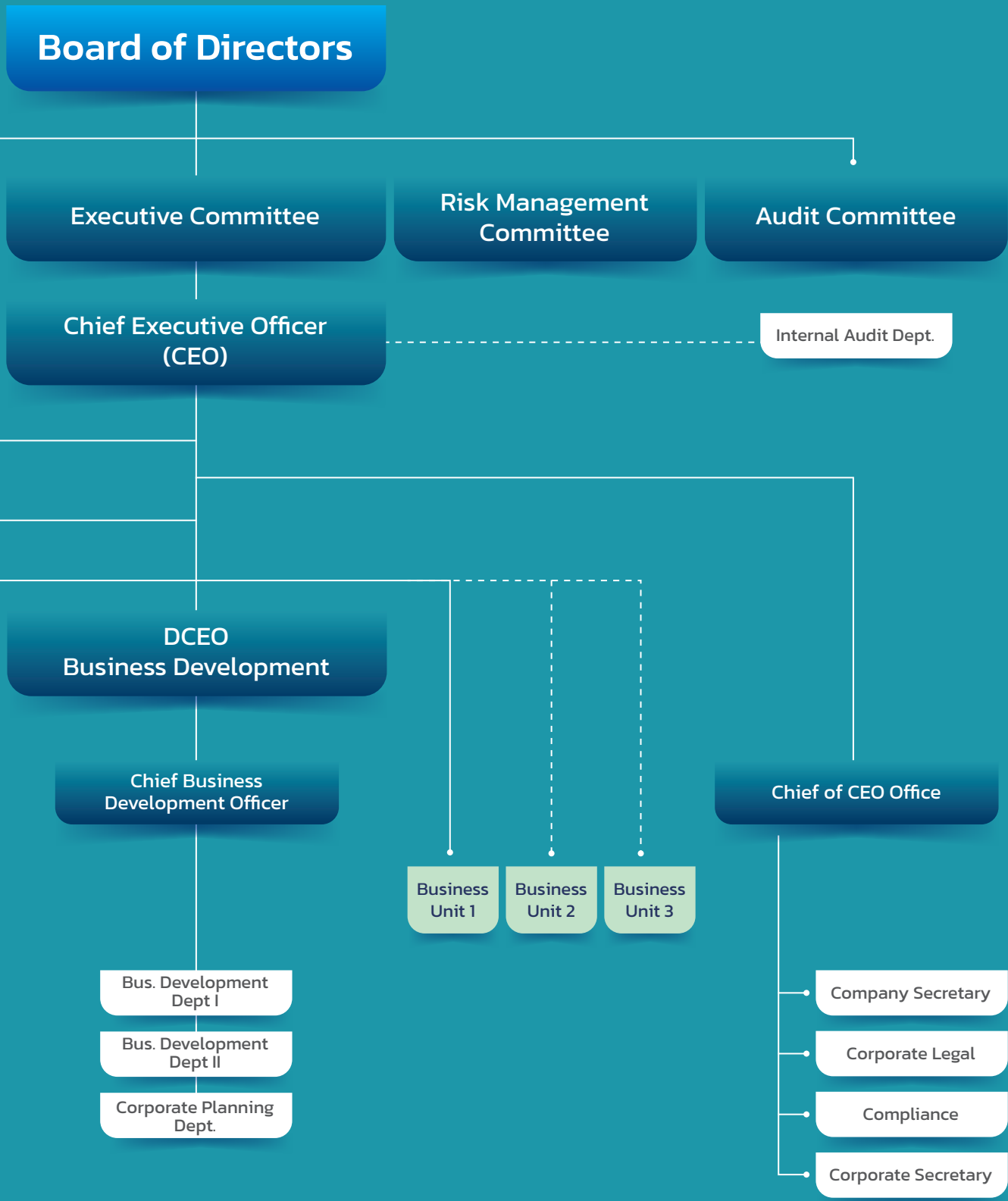


# 7. Corporate Governance Structure and Material Facts Related to the Board, Subcommittees, Executives, Employees and Others

## 7.1 Corporate Governance Structure

Organization Chart: PSG Corporation PCL.





## 7.2 Board of Directors

### 7.2.1 Composition of the Board of Directors

The Board of Directors comprises individuals with diverse backgrounds, skills, and expertise, which are valuable to the Company's business. All members of the Board have significant and relevant experience in the industry and serve a three-year term. The number of directors is determined based on the size and complexity of the business, and the current Board of Directors consists of ten members.

1. One Chief Executive Officer is employed full-time by the Company and is responsible for overseeing the day-to-day operations of the business.
2. The Board of Directors of the Company is comprised of nine Non-Executive Directors, accounting for 90% of the total members on the Board.
3. The Company has six Independent Directors, who make up 60% of the Board of Directors. These Independent Directors bring an impartial and objective perspective to the Board's decision-making process, and four of them are also members of the Audit Committee. Their proportion and qualifications follow regulations set by the Stock Exchange of Thailand and the Securities and Exchange Commission.
4. The Company ensures that the roles and responsibilities of the Chairman of the Board and the Chief Executive Officer are separated to maintain a balance between good administration and corporate governance.

The policy and procedures of the Company clearly state that no one director may serve on the Boards of more than five publicly listed companies. In 2023, none of the ten directors held more than five positions in publicly listed companies. The positions held by individual directors in other publicly listed companies are disclosed in Appendix 1.

The Company's policies and procedures state that top Executives are permitted to hold directorships in other companies as necessary. Still, these positions must not interfere with their responsibilities to the Company and must be approved beforehand by the Board of Directors or authorized individuals.

Most of the Board is made up of Independent Directors to promote transparency and accountability. The roles and responsibilities of each Director are clearly defined to prevent any one person from having excessive control.

The composition of the Board of Directors is such that at least one non-executive director holds knowledge and work experience related to the Company's business. As of December 31, 2023, nine non-executive directors are serving on the Board. Khammany Inthirath, Ph.D. and Chaiyod Chirabowornkul, Ph.D. possess the necessary knowledge and relevant work experience. Further details on their profiles can be found in Appendix 1.

The current members of the Board of Directors, including the Chief Executive Officer, possess the necessary experience, qualifications, and skills required by the Company.



## 7.2.2 Members of the Board of Directors

As of December 31, 2023, the Board of Directors of the Company comprises ten members:

Name – Surname	Position	Types of Directors
1. Mr. Van Hoang Dau	Chairman of the Board	Non-Executive Director and Authorized Director
2. Mr. David Van Dau	Director Chairman of the Executive Committee Member of the Nomination and Remuneration Committee Member of the Risk Management Committee	Executive Director and Authorized Director
3. Pol. Gen. Chaiwat Getvorachai, Ph.D.	Director Chairman of the Audit Committee	Independent Director Non-Executive Director
4. Khammany Inthirath, Ph.D.	Director Chairman of the Risk Management Committee Member of the Audit Committee	Independent Director Non-Executive Director
5. Souphanh Keomixay, Ph.D.	Director Chairman of the Nomination and Remuneration Committee	Independent Director Non-Executive Director
6. Mr. Prapas Vichakul	Director Member of the Audit Committee	Independent Director Non-Executive Director
7. Mr. Nopadol Intralib	Director Member of the Nomination and Remuneration Committee Member of the Risk Management Committee	Independent Director Non-Executive Director
8. Darnp Sukontasap, Ph.D.	Director Member of the Audit Committee	Independent Director Non-Executive Director
9. Mr. Dhana Bubphavanich	Director Member of the Executive Committee	Non-Executive Director
10. Chaiyod Chirabowornkul, Ph.D.	Director Member of the Executive Committee	Non-Executive Director

See profiles of the Directors in Appendix 1.

### Directors who have the authority to jointly sign and affix the Company's seal

Only Mr. Van Hoang Dau and Mr. David Van Dau are authorized to sign and use the Company's seal.

## 7.2.3 Roles and Responsibilities of the Board of Directors

### Roles, Duties and Responsibilities of the Board of Directors

- The Board of Directors is authorized to conduct business within the boundaries of laws and regulations set forth by the Company and relevant agencies.
- The Company's written corporate governance policy has been established and reviewed as necessary to ensure its relevance and compliance with current regulations and best practices.
- The Company's Code of Conduct outlines the expectations for ethical and professional behavior for the Board of Directors and employees. By committing to this code in writing, they agree to carry out their duties with honesty, integrity, and fairness towards all stakeholders. The Company regularly monitors compliance with the Code of Conduct and may take disciplinary action against those who violate it.
- The Board of Directors and employees are responsible for independently and carefully assessing the appropriateness of transactions involving conflicts of interest and connected transactions. They must adhere to the principles of good ethics and comply with the regulations of the Stock Exchange of Thailand regarding pricing and terms, as if the transactions were being conducted with a third party (Arm's Length Basis). The Audit Committee is responsible for providing its opinion on these transactions and for properly disclosing information about them in the Annual Report, under the section on Related Party Transactions.
- The Company has established a clear and written internal control system at both the management and operational levels. The internal control system ensures the proper use of Company assets for maximum benefit, with a clear division of duties among working, monitoring, and evaluating levels to ensure effective checks and balances. The financial system is also subject to internal control, with a financial reporting system in place to keep line management informed.

The Company has engaged an independent auditing firm to offer internal audit and accounting system services. The firm is tasked with evaluating the Company's efficiency and compliance with laws and regulations. It provides recommendations on improving the Company's internal control system and submits its audit findings directly to the Audit Committee.

- The Company has a system in place to identify and assess business risks, including measures to prevent and manage such risks that could impact the Company's operations. An early warning system is established to monitor the Company's compliance with laws and regulations, and a risk management report is prepared to ensure that the Company is well-equipped to handle potential risks.
- The Board of Directors and Audit Committee regularly review the sufficiency of the internal control and risk management systems and express their opinions on their effectiveness. This information is disclosed.

### Scope of Authority of the Chairman of the Board of Directors

- 1) Has the authority to break ties in voting during Board of Directors meetings.
- 2) Preside over the meetings of the Board of Directors, ensuring that they are conducted efficiently and effectively, with participation from all members and independence maintained.
- 3) Oversee and ensure that the Shareholders' Meeting is conducted effectively, fairly, and in accordance with relevant laws and regulations.
- 4) Fulfill responsibilities with integrity and fairness while maximizing benefits for the Company, its shareholders, and other stakeholders in accordance with applicable laws and regulations.

### Scope of Authority of the Board of Directors

- 1) Perform duties in accordance with the law, objectives, the Company's bylaws, and resolutions of Shareholders' Meetings, except for matters that require approval from the shareholders' meeting, such as connected transactions, acquisition or disposal of assets, and purchase or sale of significant assets. These actions must be conducted in accordance with the regulations of the Stock Exchange of Thailand or other governmental agencies.
- 2) Establish the policies, vision, mission, strategies, objectives, and overall business direction for the Company and to provide guidance and oversight for the executive team to ensure their performance aligns with established policies and plans, with the goal of maximizing shareholder value and promoting sustainable growth.

- 3) Establish reliable accounting systems, financial reporting systems, and auditing functions, and to ensure the effectiveness and appropriateness of the internal control and internal audit systems.
- 4) Appoint or make changes to the individuals authorized to sign on behalf of the Company.
- 5) Set up the Company's internal policies and procedures to ensure the effective and efficient operation of the business.
- 6) Consider and approve significant matters, including the Company's strategic direction, budget, major investment projects, delegation of authority, and any other elements required by law.
- 7) Review and approve the Company's organizational and management structures, and assessing the performance and appropriate remuneration for the chief executive officer. The Board is empowered to delegate to the CEO responsibility for altering the Company's organizational, management and administrative structures as appropriate at all levels up to that of senior management. The actions of the CEO must however be in accordance with the Company's vision, policies, strategies, and operational direction, as established by the Board of Directors.
- 8) Review and approve the appointment of the Board of Directors and the Chief Executive Officer. The Board may delegate authority to one or more members of the Board of Directors or other individuals to carry out actions on behalf of the Board, under its supervision. This delegated authority may be exercised within the time frame determined by the Board and may be altered, amended, or revoked as deemed necessary by the Board.

The Board of Directors' approval authority must not include situations where the designated person or persons have conflicts of interest or stand to gain or lose regarding the Company or its subsidiary companies (if any). However, they may approve transactions in the normal course of business under general commercial terms, provided the amount and authority have been established beforehand, and in accordance with the guidelines, conditions, and procedures set by the Stock Exchange of Thailand regarding connected transactions, asset acquisition or disposal, and the regulations of the Securities and Exchange Commission of Thailand.

- In addition, the authorization given to the Board of Directors must be in accordance with the laws and regulations of the Company and relevant agencies, such as the Stock Exchange of Thailand and the Securities and Exchange Commission. Directors or other individuals who may have conflicts of interest with the Company or its subsidiary are prohibited from voting on any related matter.
- 9) Be responsible for overseeing the performance and conducting of the executive team and performing their duties with diligence and caution.
  - 10) Ensure that there is no conflict of interest between the stakeholders and the Company, the Board of Directors is responsible for preventing such conflicts.
  - 11) The following authorities must be approved by the Shareholders Meeting, and directors or individuals with conflicts of interest must abstain from voting on those items. For items iii-viii, a majority vote of directors present at the meeting and at least three-fourths of votes from shareholders present and entitled to vote at the shareholders' meeting are required for approval.
    - i. Matters must be approved by the Shareholders' Meeting as required by laws.
    - ii. Transactions in which a director has a conflict of interest and fall within the scope of the laws or the regulations of the Thai Stock Exchange, which require approval by a Shareholders' Meeting.
    - iii. The sale or transfer of a significant portion of the Company's assets to other parties.
    - iv. The purchase or acceptance of transfer of a business from another Company.
    - v. Execution, amendment, or termination of a lease that covers the entire or a significant portion of the Company's operations, as well as the appointment of another party to manage the Company's business or a merger of the Company's business with another with the aim of sharing profit and loss, require approval from the Shareholders' Meeting.
    - vi. An additional amendment to the Company's memorandum of association or articles of association.
    - vii. Capital increases and decreases, debt issuance, mergers, and acquisitions, or the dissolution of the Company require approval from the shareholders' meeting.
    - viii. Other matters defined by securities laws and/or regulations of the Stock Exchange of Thailand that must be resolved by a meeting of the Board of Directors and Shareholders, using the previously established voting criteria.

- 12) The Board of Directors must promptly inform the Company of any direct or indirect benefits or losses from a contract related to the Company's operations or any changes in ownership of the Company's shares or other securities.
- 13) The form 56-1 One Report must clearly state the Board of Directors' responsibilities in preparing the financial reports, along with the auditor's report. This should address key issues as outlined in the codes of conduct for the Board of a listed Company on the Stock Exchange of Thailand.
- 14) The responsibility of the Board of Directors to prepare and provide the audited balance sheet and income statement of the Company at the end of each fiscal year is outlined in the Annual Report, along with the auditor's report. This review and approval process is proposed for consideration at the Shareholders' Meeting.
- 15) The annual general meeting of shareholders must be held within four months after the end of the Company's fiscal year.
- 16) The Board of Directors must hold a meeting at least once every three months.

#### Report on Securities Holdings of Directors and Executives

Name - Surname	No. of Shares at the Beginning of the Year 2023 (Shares)	No. of Shares as of March 12, 2024 (Shares)	Increase (+)/ Decrease (-)	%
<b>Board of Directors</b>				
1. Mr. Van Hoang Dau	-	-	-	-
(His spouse and minor children)	-	-	-	-
2. Mr. David Van Dau	-	-	-	-
(His spouse and minor children)	51,994,000,000	51,294,000,000	700,000,000	78.92
3. Pol. Gen. Chaiwat Getvorachai, Ph.D.	21,800,000	21,800,000	-	0.03
(His spouse and minor children)	-	-	-	-
4. Khammany Inthirath, Ph.D.	-	-	-	-
(His spouse and minor children)	-	-	-	-
5. Souphanh Keomixay, Ph.D.	-	-	-	-
(His spouse and minor children)	-	-	-	-
6. Mr. Prapas Vichakul	-	-	-	-
(His spouse and minor children)	-	-	-	-
7. Mr. Nopadol Intralib	25,000,000	33,500,000	8,500,000	0.05
(His spouse and minor children)	-	-	-	-
8. Damp Sukontasap, Ph.D.	-	-	-	-
(His spouse and minor children)	-	-	-	-
9. Mr. Dhana Bubphavanich	-	-	-	-
(His spouse and minor children)	-	-	-	-
10. Chaiyod Chirabowornkul, Ph.D.	238,493,700	216,500,000	- 21,993,700	0.33
(His spouse and minor children)	-	-	-	-
<b>Executives</b>				
1. Ms. Somruedee Halilamien	-	-	-	-
(His spouse and minor children)	-	-	-	-
2. Ms. Pathamakorn Buranasin	24,312,787	24,312,787	-	0.04
(His spouse and minor children)	-	-	-	-
3. Mr. Kunakorn Bunyanon	-	-	-	-
(His spouse and minor children)	-	-	-	-

## 7.3 The Sub-committees

### 7.3.1 The Sub-committees

The Company has established five committees: the Board of Directors (BoD), the Executive Committee, the Audit Committee, the Nomination and Remuneration Committee, and the Risk Management Committee.

- The Executive Committee (EC) has been appointed by the Board of Directors to assist with examining policies, directions, business strategies, organizational structure, business plan, and annual budget. They are also tasked with monitoring and governing the implementation of the approved strategic plan, tasks, and projects. The Committee’s responsibilities include the review of financial performance, risk management, and other operational aspects as assigned by the Board of Directors.
- The Audit Committee (AC) is responsible for providing oversight and support to the executive team and is comprised of four Independent Directors who serve three-year terms. The Committee meets regularly with the auditors, internal auditors, the internal audit firm and executives from the Company, and at least one member must have expertise in accounting and finance. The Committee’s purpose is to help ensure that the financial reporting process is transparent, accurate, and in compliance with laws and regulations.
- The Nomination and Remuneration Committee (NRC) of the Company has been established to evaluate potential candidates for appointment to the Board of Directors and Chief Executive Officer. This committee is tasked with ensuring that individuals with the right expertise, skills, experience, vision, and decision-making ability are selected to fill any vacancies, in the best interest of the Company and its shareholders. The Nomination and Remuneration Committee also reviews remuneration guidelines for directors and Chief Executive Officer, with remuneration of Chief Executive Officer subject to approval by the Board of Director and all committee remuneration packages subject to approval by the Shareholders’ Meeting.

- The Risk Management Committee (RMC) has been established by the Board of Directors to develop a comprehensive risk management policy for the entire organization. Its responsibility includes monitoring and controlling risk management systems or procedures to effectively mitigate the impacts on the Company’s business.

### 7.3.2 Members of sub-committees

#### Audit Committee Members

The Audit Committee, as of December 31, 2023, comprised four members.

Name – Surname	Position
1. Pol. Gen Chaivat Getvorachai, Ph.D.	Chairman of the Audit Committee
2. Mr. Praphas Vichakul	Member of the Audit Committee
3. Khammany Inthirath, Ph.D.	Member of the Audit Committee
4. Damp Sukontasap, Ph.D.	Member of the Audit Committee

Damp Sukontasap, Ph.D. has the necessary expertise and experience to analyze and verify financial reports. Ms. Somruedee Halilamien, Chief Financial Officer, serves as the secretary of the Audit Committee.

#### Scope of Authorities and Responsibilities of the Audit Committee

1. Provide oversight to ensure the accuracy and completeness of the Company’s financial reports, by collaborating with the external auditor and financial reporting executives. They may offer suggestions and insights for the auditor to review or examine any transactions that warrant attention during the audit process.
2. Ensure the appropriateness and effectiveness of the internal control and internal audit systems by collaborating with external auditors and the internal audit team, preserving the independence of the internal audit unit, and giving approval for the appointment, transfer, and termination of the internal audit leader or any other units related to internal audit.

3. Ensure that the Company’s operations follow the Securities and Exchange Act, the rules and regulations of the Stock Exchange of Thailand, and any other applicable laws relevant to the Company’s operations.
4. Select, appoint, and dismiss the Company’s external auditors, determine the audit fee, and consider factors such as the auditors’ credibility, availability of resources, experience of lead auditors, and independence. The AC must then make recommendations to the BoD for approval at the annual Shareholders’ Meeting. Additionally, the AC must hold an annual meeting with the external auditors without the presence of the executive team.
5. Consider the disclosure of information regarding connected transactions or transactions that may result in conflicts of interest and provide recommendations on these transactions to be presented to the Board of Directors’ Meeting and/or Shareholders’ Meeting.
6. Review and evaluate the Company’s financial and risk management policies. The policies must be in line with the guidelines set by the Board and must be approved by the AC.
7. Include the Audit Committee’s activities in the Annual Report, which must be signed off by the AC Chairman and consists of the following information: -
  - i. Opinion on the adequacy and effectiveness of the internal control and internal audit systems.
  - ii. Opinions on the effectiveness of the Company’s internal control system.
  - iii. Evidence in support of reappointing the external auditor for another term.
  - iv. Opinion on the Company’s compliance with laws and regulations, including the Securities and Exchange Act, the Stock Exchange of Thailand’s rules, and other relevant laws and regulations.
  - v. Opinions on transactions involving conflicts of interest.
  - vi. The number of Audit Committee meetings and each member’s attendance at those meetings.
  - vii. Opinion or overall observations received by the Audit Committee during the performance of its duties as mandated by its charter.

- viii. Any other relevant issues that the Board of Directors believes shareholders and investors should be aware of while carrying out their responsibilities and authorities.
8. Report the performance of the Audit Committee to the Board of Directors at least annually.
  1. Prepare a report on corporate governance to be included in the Company’s annual report, which must be signed by the Chairman of the Audit Committee. The report should provide information on the Committee’s performance and activities related to corporate governance.
  2. Carry out additional tasks as directed by the Board of Directors with the approval of the Audit Committee.

The Audit Committee is entrusted to call meetings with the executive team, executives, or employees and require them to provide reports and opinions, attend meetings, or submit necessary and relevant documents. The Board of Directors has the authority to modify the Audit Committee’s responsibilities and authority as appropriate.

The Audit Committee holds regular meetings at least once every quarter. In 2023, the Committee conducted five meetings with external auditors, internal auditors, accounting and finance management, and executive teams responsible for reviewing quarterly financial statements. The Audit Committee then presents a report to the Board of Directors.

### Executive Committee

As of December 31, 2023, the Executive Committee comprised four members, listed below.

Name – Surname	Position
1. Mr. David Van Dau	Chairman of the Executive Committee
2. Mr. Dhana Bubphavanich	Executive Committee
3. Chaiyod Chirabowornkul, Ph.D.	Executive Committee
4. Ms. Somruedee Halilamien	Member of the Executive Committee

## Scope of Authorities and Responsibilities of the Executive Committee

The EC is responsible for managing the Company’s business operations and management, including developing policies, business plans, budgets, administrative structures, and management structures, and proposing appropriate business strategies to the Board of Directors for consideration, approval, and/or resolution. Additionally, the EC monitors and follows up on the Company’s performance in line with its policies. The committee’s roles and responsibilities are summarized as follows: -

1. Develop the Company’s business policies, vision, mission, values, strategies, and goals, including the management structure, to be presented to the Board of Directors for approval.
2. Prepare the Company’s business plan, budget, and administrative authority for approval by the Board of Directors.
3. Control, supervise and monitor the Company’s business operations in accordance with the business policy, plan, and strategy authorized by the Board of Directors.
4. Consider and approve the Company’s projects and its subsidiaries and report progress to the Board of Directors for acknowledgment.
5. Appoint a working group or independent consultant to advise and assist the Executive Committee in making decisions.
6. Perform any other duties assigned by the Board of Directors or required by law and/or regulations of relevant agencies.

The Executive Committee may grant power of attorney to employees in the Company’s executive level the financial approval authority in some or many of the issues deemed acceptable.

The financial approval authority granted by the Executive Committee through a power of attorney must not permit approval of issues that may pose conflicts of interest or result in gain or loss to the Company or its subsidiaries, except for those approved under general commercial terms and in the ordinary course of business, subject

to pre-defined amounts and authority set by the Board of Directors in accordance with the Stock Exchange of Thailand’s guidelines, conditions, and procedures. The Board of Directors is authorized to modify and adjust the extent of the Executive Committee’s authority and responsibility as needed or appropriate, as per applicable regulations of the Securities and Exchange Commission of Thailand.

## Nomination and Remuneration Committee

As of December 31, 2023, the Committee consisted of three members as follows: -

Name – Surname	Position
1. Suphanh Keomixay, Ph.D.	Chairman of the Nomination and Remuneration Committee
2. Mr. David Van Dau	Member of the Nomination and Remuneration Committee
3. Mr. Nopadol Intralib	Member of the Nomination and Remuneration Committee

## Scope of authority and responsibilities of the Nomination and Remuneration Committee

The NRC carries out activities assigned by the Board of Directors, with the following roles and responsibilities: -

### Recruitment

1. Determine the appropriate structure of the Board of Directors, including the optimal number of directors based on the Company’s size, type, and complexity of the business. The NRC also establishes the necessary qualifications for each director, such as relevant skills, experience, and competencies specific to the core business or industry in which the Company operates.
2. Ensure that prospective Independent Director candidates possess the most suitable qualifications required by the Company and comply with the rules specified by the SEC Office regarding the independence of candidates.
3. Develop criteria and policies for the selection of the Board of Directors and sub-committees, in addition to determining the qualifications required for the members of each committee.

4. Source, select, and nominate eligible individuals to fill positions on the Company’s Board of Directors in the event of a term coming to an end, a vacancy occurring, or the need for additional appointments.
5. Recruiting and proposing candidates for the position of chief executive officer, for approval by the Board of directors.
6. Carry out any other duties delegated by the Board of Directors.

**Compensation**

1. Develop criteria and policies for determining remuneration for the Board of Directors, and sub-committee members.
2. Determine the necessary and appropriate remuneration, including both monetary and non-monetary benefits, for each member of the Board of Directors, based on factors such as their duties, responsibilities, performance, benchmarking with similar organizations, and expected contribution.
3. Publish the remuneration policies and rates in various formats and include the Nomination and Remuneration Committee Report in the Company’s Form 56-1 One Report.
4. Assessing the performance of the Chief Executive Officer and proposing appropriate remuneration, for approval by the Board of Directors.
5. Perform any other tasks related to remuneration as assigned by the Board of Directors

The Nomination and Remuneration Committee reports its performance directly to the Board of Directors and is accountable to the Board of Directors in carrying out its duties.

The NRC held two meetings in 2023. The first meeting was to nominate suitable persons to be appointed as directors to replace those who retired by rotation. The second meeting was to review the remuneration of directors for the year 2023 and consider the performance evaluation of the Chief Executive Officer.

**Risk Management Committee**

As of December 31, 2023, the Committee consisted of three members.

Name – Surname	Position
1.Khammany Inthirath, Ph.D.	Chairman of the Risk Management Committee
2. Mr. David Van Dau	Member of the Risk Management Committee
3. Mr. Nopadol Intalib	Member of the Risk Management Committee

**Scope of Authorities and Responsibilities of the Risk Management Committee**

The Risk Management Committee is responsible for developing risk management policies for the entire organization and ensuring that risk management methods or procedures are in place to minimize the impact on the Company’s operations. The following outlines the scope of authority and responsibilities of the Committee: -

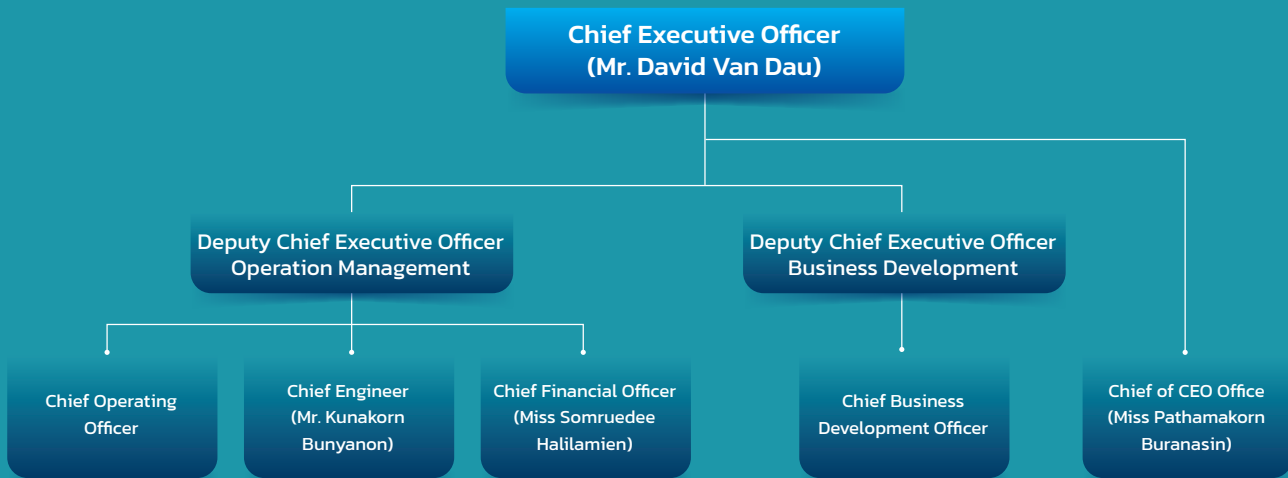
1. Establish appropriate and efficient risk management policies and guidelines.
2. Implement the Company’s risk management plans and processes.
3. Monitor and assess the Company’s compliance with the risk management framework.
4. Perform any other duties as assigned by the Board of Directors related to the Company’s risk management.
5. Report its performance to the Board of Directors for acknowledgement and prepare a report on risk management to be included in the Company’s annual information disclosure form or annual report. The report should be signed off by the Chairman of the Risk Management Committee.

The Risk Management Committee held two meetings in 2023 to monitor and evaluate the implementation of the Company’s risk management plan.



## 7.4 Executives

### 7.4.1 Members of the Executive Team



As of December 31, 2023, the Company had four executives who meet the definitions specified in the Notifications of the Securities and Exchange Commission relating to the issuance and offer for securities.

name – surname		position
1. Mr. David Van	Dau	Chief Executive Officer
2. Ms. Somruedee	Halilamien	Chief Financial Officer
3. Ms. Pathamakorn	Buranasin	Chief of CEO Office
4. Mr. Kunakorn	Bunyanon <sup>1</sup>	Chief Engineer

**Remarks:**

- <sup>1</sup> Appointed on February 16, 2023, replacing Mr. Rassamee Youpanich who had resigned during the year.
- Mr. Nattapong Pangsupa, Chief Operating Officer resigned on May 1, 2023.

Executive profiles can be found in Appendix 1.

### 7.4.2 Remuneration Policy for the Board of Directors and Executives

#### (1) Monetary Remuneration

- The Nomination and Remuneration Committee reviews and establishes the appropriate remuneration for the Chief Executive Officer, based on predetermined standards and specific guidelines that serve the best interests of the Company.
- The Company’s executive remuneration is determined by the principles and rules established, which are linked to the Company’s operational and individual executive performance. The Company uses Key Performance Index (KPIs) to evaluate the performance of its executive team.

- Directors are remunerated with a meeting allowance. However, if a director is also an executive of the Company and receives a salary from the Company, they are not eligible to receive a meeting allowance.
- Remuneration for the executives typically consists of a combination of salary, bonus, and various welfare benefits.

#### (2) Compensation and other benefits

- Other Remuneration for Directors - Not available -
- Provident fund is a form of retirement savings plan that may be offered to executives as part of their long-term compensation package.

### 7.4.3 Total Remuneration for the Executives Team

#### (1) Monetary Remuneration

In 2023, the Company paid out 22,494,670 Baht in compensation to the executives, including those who resigned during the year.

#### (2) Other compensation

In 2023, the Company contributed a total of 645,438 Baht to the provident fund for the executive members.

## 7.5 Employee Information

As of December 31, 2023, the Company employed 58 salaried employees- (monthly basis), excluding executives, as follows: -

Department	Number of Employees (Person)		
	December 31, 2023	December 31, 2022	December 31, 2021
1. Finance	8	7	3
2. Operations	13	11	15
3. Engineering	31	26	34
4. Business Development	2	3	
5. Office of Chief Executive Officer	4	2	-
- Temporary staff	-	-	15
<b>Total employees</b>	<b>58</b>	<b>49</b>	<b>67</b>

**Remarks:** • The number of employees at PSGC (Laos) Sole Co., Ltd. (a subsidiary Company) was 45.

### Significant changes in the number of employees in the past three years

- None -

### Major labor disputes in the past three years

- No disputes -

### Employee Remuneration

Remuneration Type	Amount (Unit : Million Baht)		
	2023	2022	2021
Salary	59.5	48.1	43.1
Bonus	20.2	7.3	2.3
Provident fund contribution	3.0	1.8	1.3
Others*	8.8	4.6	1.7
<b>Total</b>	<b>91.5</b>	<b>61.8</b>	<b>48.4</b>

**Remarks:** \* refers to social security payment, overtime pay, allowances, and other benefits, etc.

### Provident Fund

All employees, regardless of their level, are eligible to participate in the provident fund. They can contribute a portion of their salary, ranging from 3% to 15%, to the fund, and the Company will also make contributions proportional to their length of service at a rate of 3% to 10% of their salary. In 2022, the employees who passed their probation period participated in the Provident Fund with a portion of 98% of all the employees who passed the probation period.

## 7.6 Other Material Facts

### 7.6.1 List of Assignees

#### Accounting Supervisor

The Company appointed Ms. Somruedee Halilamien as the Chief Financial Officer, with the highest level of authority in Accounting and Finance. and appointed Ms. Sukol Homsuwan was named the Controller and Supervisor of the Company's Bookkeeping. Additional information on the profiles of the executives can be found in Appendix 1.

#### Company Secretary

The Board of Directors appointed Ms. Pathamakorn Buranasin as the Company Secretary. Further details on the Company Secretary can be found in Appendix 1.

Duties and Responsibilities of the Company Secretary.

- Create and save documents
  - Director registration
  - Director's meeting notice, Board meeting minutes, and annual report
  - Invitation letter for the shareholders' meeting and minutes of the Annual General Meeting of Shareholders
  - Store reports of stakeholders analysis submitted by directors or executives.
- Undertake any other actions as stipulated by the Capital Market Supervisory Board.
- Submit a copy of the stakeholders analysis report under Section 89/14 to the Chairman of the Board and the Chairman of the Audit Committee within seven business days from the date the report had been received.
- Communicate with shareholders including the Stock Exchange of Thailand and relevant regulatory bodies.

#### Head of Compliance

The Company designated Ms. Pathamakorn Buranasin to take the position of Chief of CEO Office, to supervise the Company's compliance with the applicable rules. Appendix 3 contains her profile.

#### Head of Internal Audit

In 2023, the Audit Committee appointed KPMG Phoomchai Business Advisory Ltd. ("KPMG") as the

Company's internal auditor, working in conjunction with the Company's internal audit department and directly reporting the internal audit results to the Audit Committee. Mr. Sukit Vongthavaravat, Head of Alliance, was designated as the responsible person for this matter. His profile can be found in Appendix 3.

### 7.6.2 Head of Investor Relations and Contact Information

The Company has established the Investor Relations Department, which is responsible for communicating with institutional investors, shareholders, analysts, and governmental agencies. Mr. Chanchalerm Chukaviroj has been assigned to manage this department. Investors can obtain Company information by contacting the department via phone at 02 018 7190-8 or Email: at [ir@psgcorp.co.th](mailto:ir@psgcorp.co.th).

### 7.6.3 Audit Fee

In 2023, the Company appointed EY Co., Ltd. as the Company's auditor for the second year with remuneration as follows: -

#### 1. Audit Fee

In 2023, the Company paid for the annual audit fee and quarterly review fee of the Company per the following details.

- 3,550,000 Baht for Company's auditor and other expenses of Baht 7,101.7
- US Dollar 11,500 for its subsidiary's auditor and no other expenses
- The Company did not pay any fees to the auditing firm that employs the auditor(s), or to individuals and businesses associated with the auditor(s) and the accounting firm that employs the auditor(s) in 2023.

#### 2. Service fees other than audit work (non-audit fee)

- Not paid -

The Company's auditors meet the qualifications required by the Stock Exchange of Thailand and the Securities and Exchange Commission, and are independent of the Company, its subsidiaries, executives, key shareholders, and related parties. There are no material links or conflicts of interest that would compromise the auditors' ability to provide an objective opinion on the Company's financial reports.

## 8. Report on Key Operating Performance Related to Corporate Governance

### 8.1 Summary of the Board of Directors Performance

Performance of the Board of Directors in the past year can be summarized as follows: -

- Approving the organizational and management structure to align with the Company's strategies, and operations objectives.
- Approving the review of the Company's vision, mission, values, and quality policy to be consistent with the operations.
- Reviewing the Charters of various committees, including the policy of good corporate governance.
- Approving the Company and its subsidiary's budget for the year 2023.
- Endorsing the selection and appointment of auditors and determining an appropriate remuneration as proposed by the Audit Committee, to be presented to the shareholders at the annual general meeting for approval.
- Endorsing the appointment of the directors who retire due to rotation to be re-appointed and determining an appropriate remuneration as proposed by the NRC, to be presented to the shareholders at the annual general meeting for approval.
- Approving the report on the adequacy and appropriateness of the Company's internal control system, as proposed by the Audit Committee, based on the internal audit report for the period ended on December 31, 2022.
- Reviewing the financial statements and operating results for the year 2022 as presented by the Audit Committee, to be presented to the shareholders at the annual general meeting for approval and review the financial statements for the first three quarters of 2023.
- Approving the related transaction occurred for the fourth quarter of 2022 and the first three quarters of 2023, which were considered by the Audit Committee.
- The bidding for the Turnkey Contract of Resettlement Development Site Construction has been approved with Phornsavarn Development Sole Company

#### 8.1.1 Nomination, Development and Performance Evaluation of the Board of Directors

The Nomination and Remuneration Committee is tasked with identifying suitable candidates for appointment as directors of the Company. Candidates must meet the qualifications required by the Public Limited Companies Act B.E. 2535 and possess the characteristics necessary to manage a publicly owned business as outlined in the Securities and Exchange Act. The NRC will nominate individuals who possess the necessary knowledge, expertise, experience, and dedication to the best interests of the Company, without regard to gender, race, religion, age, or any other personal characteristics. The nominations made by the NRC will be reviewed and approved by the Board of Directors, or further reviewed and approved at the shareholder's meeting as necessary.

The Nominations and Remuneration Committee is responsible for proposing appointments to the Board of Directors in the event that a seat on the Board becomes available for reasons other than that a term of office has expired. In the event that a director vacates the Board on the completion of his or her term of office or additional directors are to be elected to the Board, the committee is also responsible for proposing appointments to a meeting of the shareholders for their consideration and approval. The rules governing the appointment and removal of directors are specified in the Company Articles of Association (available on the Company website at [www.psgcorp.co.th](http://www.psgcorp.co.th)).

The selection, development, and performance evaluation of the Board of Directors are crucial for the Company's good corporate governance practices. The Board is responsible for adhering to the provisions outlined in the Board of Directors Charter regarding these processes. For more information, please refer to section 6.1.1 of the annual report.

The Board of Directors is responsible for appointing company committees, including the Audit Committee, the Executive Committee, the Risk Management Committee, and the Nominations and Remuneration Committee. To ensure that these committees fulfil their remit with the maximum efficiency, their structure and composition are particular to each, and each committee's charter specifies its scope, responsibilities and operating procedures (individual committee charters are published on the Company website at [www.psgcorp.co.th](http://www.psgcorp.co.th)).

In accordance with Section 89/15 of the Securities and Exchange Act and the requirements of the Securities and Exchange Commission, a company secretary has been appointed. This individual is responsible for preparing and maintaining Company documents, including the register of directors, and announcements of meetings and the minutes of these. The secretary is also tasked with arranging meetings of shareholders and of the Board of Directors, tracking Board resolutions, and providing additional support to the Board as required, together with other duties as specified in the relevant rules and regulations.

### Independent Director Selection Criteria

The Company mandates that a minimum of one-third of the total number of directors, but no fewer than three individuals, must be independent directors. The Nomination and Remuneration Committee will propose the nomination of independent directors to the Board of Directors for consideration and approval or to the shareholders for approval, as appropriate. The nominations will be made in accordance with relevant legal requirements and the provisions outlined in the Board of Directors Charter. The candidates must meet the qualifications required by the Securities and Exchange Commission and the Stock Exchange of Thailand, as stated in the Notification of Nomination of Independent Directors and Audit Committee Members, in this Annual Registration Statement/Annual Report.

Please be advised that the qualifications and definition of independent directors are consistent with those defined by the Securities and Exchange Commission and the Stock Exchange of Thailand.

### Nomination of Chief Executive Officer and Senior Management

The Nomination and Remuneration Committee is responsible for nominating and selecting the Chief Executive Officer for appointment by the Board of Directors. The candidates must possess the necessary knowledge, expertise, and experience to successfully manage the Company and achieve the objectives set by the Board of Directors. Additionally, the candidates should have a thorough understanding of the Company's business operations.

The recruitment and appointment of senior staff at the level of deputy chief executive officer and below is the responsibility of the chief executive officer.

To ensure a smooth and appropriate replacement process in the event of any future vacancies. The Company has put in place a succession plan that covers the position of chief executive officer and other senior executives. This is subject to periodic review, with consideration given to the selection of candidates and the development of the various skills required for the position with reference to the Company's strategic direction.

The full version of the Succession Policy can be accessed at [www.psgcorp.co.th](http://www.psgcorp.co.th).

### Changes to Company Directorships

At the 2023 annual general meeting of shareholders, the Nominations and Remuneration Committee proposed three directors for reappointment to the Board for a new term of office. Khammany Inthirath, Ph.D., Damp Sukontasap, Ph.D., and Chaiyod Chirabowornkul, Ph.D. were therefore duly reappointed to their positions as directors of the Company.

### Professional Development for Directors and Executives

The Board encourages directors to undertake training and to acquire the knowledge and skills required to better fulfil their duties. In this regard, the office of the Company secretary functions as an intermediary disseminating relevant information and encouraging directors to undertake annual training deemed relevant to their roles. Directors are thus regularly notified in advance of training programs, and this helps to ensure that they are provided with training suitable for their position.

To allow new directors to operate more effectively, the Company provides an orientation and onboarding program. This supplies new appointees with information on company operations and insights from senior executives, together with background information on the Company, its policies, and guidelines on corporate governance.

In 2023, Miss Somruedee Halilamien, member of Executive Committee attended training courses that enhanced her operational knowledge. The details of the training courses are as follows:

- IR in Action class 3 by maiA
- Green Assets: Opportunities for Sustainable Development by TLCA CFO Professional Development Program (TLCA CFO CPD) No. 4/2023
- Risk Management for CFOs by TLCA CFO Professional Development Program (TLCA CFO CPD) No. 2/2023
- FinTech (Financial Technology), TLCA CFO Professional Development Program (TLCA CFO CPD) No. 3/2023
- Subsidiary Governance Program (SGP) class 7/2024 by Thai Institute of Directors (IOD)

Miss Pathamakorn Buranasin, Chief of CEO Office and Company Secretary attended training courses that enhanced her operational knowledge. The details of the training courses are as follows:

- Risk Management and Internal Control by Thai Listed Companies Association (TLCA)
- Subsidiary Governance Program (SGP) class 7/2024 by Thai Institute of Directors (IOD)

### Board of Directors' Performance Assessment

To help Board members assess their performance, to identify difficulties that have been encountered over the previous year, and to improve future performance, directors engage in an annual process of self-assessment. This evaluates all areas of directors' responsibilities together with their alignment with the Company's core ethics, and three forms are used in this: (1) self-assessment of the Board of Directors as a whole; (2) self-assessment of committees as a whole; and (3) self-assessment of the Board of Directors and of committee members on an individual basis. Responses are assessed by the Nominations and Remuneration Committee, and directors' scores and feedback are used to improve the overall performance of the Board in the coming year.

The Company secretary is responsible for distributing self-assessment forms to directors, collecting these, and reporting on the results of the assessment to the Board of Directors.

The results of the 2023 self-assessment were as follows:

- 92.12% of assessments of the Board of Directors as a whole were at the level of 'excellent'.
- 90.17% of assessments of committees as a whole were at the level of 'excellent'.
- 94.81% of assessments of the Board of Directors and of committee members on an individual basis were at the level of 'excellent'.

### Assessment of the Performance and Remuneration of the CEO

The Nominations and Remuneration Committee is responsible for evaluating the performance of the chief executive officer. As per the guidelines produced by the Stock Exchange of Thailand, this assessment is divided into ten categories, with each category scored up to a maximum of four points. The committee sets the CEO's remuneration with reference to market norms for similarly sized companies operating in the same industry, while also taking into account the CEO's performance, the Company's operating profits, and the extent to which the Company's activities align with its stated vision, mission, and strategy. The committee's proposals for the CEO's remuneration are presented to the Board of Directors for its approval.

For 2023, the Nominations and Remunerations Committee ranked the CEO's performance as 'excellent', achieving the maximum four points.

## 8.1.2 Meeting Attendance and Individual Remuneration

### Attendance of the Board of Directors' Meetings and Subsidiaries

To ensure that they are able to make time available for meetings, directors are informed in advance of approaching meetings of the Board and of committees. The Company secretary is therefore tasked with sending details of meetings and agendas to attendees at least seven days before the date of the meeting. The secretary also ensures that directors are provided with all material

necessary for attendees to make a full consideration of the matters under discussion. In addition, non-executive directors are encouraged to meet as necessary, though to do so at least once per year. Company executives are not present at these meetings, and this allows directors to discuss matters more freely.

The Board remained devoted to its duties through 2023 and in the year, directors regularly met both in-person and online. The Board met formally four times in 2023, and all directors maintained a 100% attendance record. The Board was also fully in attendance at the annual general meeting of the shareholders. Information of the meeting attendance of the Company's Board of Directors and Sub-committees is shown below: -

Name – Surname	Meeting attendance				
	BoD (4 meetings)	AC (5 meetings)	RMC (2 meeting)	NRC (2 meetings)	Ex Com (7 meetings)
1. Mr.Van Hoang Dau	4/4				
2. Mr. David Van Dau	4/4		2/2	2/2	7/7
3. Pol.Gen. Chaiwat Getvorachai, Ph.D.	4/4	5/5			
4. Khammany Inthirath, Ph.D.	4/4	5/5	2/2		
5. Souphanh Keomixay, Ph.D.	4/4			2/2	
6. Mr. Prapas Vichakul	4/4	5/5			
7. Mr. Nopadol Intralib	4/4		2/2	2/2	
8. Damp Sukontasap, Ph.D.	4/4	5/5			
9. Mr. Dhana Bubphavanich	4/4				7/7
10. Chaiyod Chirabowornkul, Ph.D.	4/4				7/7

## Remuneration for Directors

The 2023 Annual Ordinary General Meeting of Shareholders approved remuneration for directors, per the details as follows:

- Remuneration for Company directors consists of meeting allowances.
- Other remuneration for directors - None -
- In 2023, the total monetary remuneration for the Board of Directors, which included meeting allowances, was Baht 2,229,000.0. Please see below.

Name – Surname	Meeting allowance (Baht)*				
	BoD	AC	RMC	NRC	ExCom**
1. Mr.Van Hoang Dau	180,000	-	-	-	-
2. Mr. David Van Dau	140,000	-	28,000	28,000	-
3. Pol.Gen. Chaiwat Getvorachai, Ph.D.	140,000	125,000	-	-	-
4. Khammany Inthirath, Ph.D.	140,000	100,000	28,000	-	-
5. Souphanh Keomixay, Ph.D.	140,000	-	-	28,000	-
6. Mr. Prapas Vichakul	140,000	100,000	-	-	-
7. Mr. Nopadol Intralib	140,000	-	28,000	28,000	-
8. Damp Sukontasap, Ph.D.	140,000	100,000	-	-	-
9. Mr. Dhana Bubphavanich	140,000	-	-	-	98,000
10. Chaiyod Chirabowornkul, Ph.D.	140,000	-	-	-	98,000
<b>Total</b>	<b>1,440,000</b>	<b>425,000</b>	<b>84,000</b>	<b>84,000</b>	<b>196,000</b>

### Note:

\* Please note that directors who were not present at the meeting did not receive meeting allowances.

\*\* Please be advised that executive directors who are on the payroll did not receive meeting allowances for the Executive Committee.

### 8.1.3 Oversight of Subsidiaries and Joint Ventures

The Company has a policy of investing in subsidiaries and engaging in joint ventures when this is in areas connected to the main business of the Company or where this will help to provide benefits for the Company and to support overall operations by improving business security and generating additional returns. Investment decisions are always guided by the policies of the Company and its subsidiaries.

The Board will consider appointing suitably qualified and experienced representatives of the Company to positions as directors overseeing the activities of subsidiaries/joint ventures. These representatives may be the chair of the Board, the CEO, Directors of the Company, senior company executives, or other individuals, though under no circumstances will they have any conflicts of interest that may influence their running of the subsidiary/joint venture. To enable the subsidiary/joint venture to be managed as if it were a business unit of the Company, the Company representatives are required to manage its operations in such a way as to generate the greatest benefit for the Company, though this is always in strict accordance with the laws governing the operations of the subsidiary/joint venture. The number of representatives of the Company to be appointed as directors of the subsidiary/joint venture will be in proportion to the Company's shareholdings in the subsidiary/joint venture.

The Company closely monitors the performance and financial status of subsidiaries/joint ventures, and full data collection and reporting is carried out to ensure that the Company is able to check and to audit its performance.

As of December 31, 2023, the Company did not have any associated companies.

Shareholder agreements that are significant to the operation of the Group, the management, and the distribution of returns in addition to returns proportional to regular shareholding.

- None -

### Structure of the Director of Subsidiaries

As of December 31, 2023, the Board of Directors of PSGC (Lao) Sole Company Limited (subsidiary) consists of

- 1) Mr. Van Hoang Dau      President
- 2) Mr. David Van Dau      Vice President

### 8.1.4 Enforcement of the Corporate Governance Policies and Guidelines

The Company recognizes the central importance of good corporate governance, and company policies and regulations reflect this. The Company's policies on corporate governance and ethics are thus closely aligned with its vision and core corporate values, and these are regularly communicated to directors, executives, and staff at all levels. Company policies on corporate governance are also routinely reviewed alongside those on ethical business practice, and ongoing monitoring and enforcement of these helps to ensure that trust is maintained in company activities by all stakeholders.

Furthermore, the Company will continue to monitor and ensure compliance with four key areas of Corporate Governance: -

#### (1) Prevention of conflicts of interest

The Company has established a policy to ensure that the Board of Directors, executives, and employees carry out their responsibilities in the best interests of the Company. If an individual has a conflict of interest in a transaction under consideration, they must disclose this to the person in charge and refrain from participating in the decision-making process.

In 2023, no director, executive or related employee's action constituted a violation of the policies relating to conflicts of interest.

#### (2) Prohibition against the use of inside information for personal gains.

The Company has a clear policy prohibiting the use of inside information for personal gain or trading in the Company's securities (Blackout Period). Directors, executives, and employees who have access to internal information are not permitted to trade in the Company's



securities for 30 days prior to the announcement of operating results but may do so 24 hours after the announcement. Additionally, they are prohibited from using non-public information to trade the Company's securities.

Through 2023, the Company warned directors, executives and staff at all levels to refrain from buying, selling, transferring or receiving company securities via the Company email system. This warning was repeated every quarter as well as prior to the release of commercially sensitive information to the Stock Exchange of Thailand, accordance with Policy of prohibiting the use of inside information.

In support of this, training was provided to ten executives and staff of the Company and its subsidiaries on governance issues relevant to companies in the same group and how these relate to the prevention of conflicts of interest, the use of confidential information for personal gain, and the undertaking of business transactions for personal gain. This training informed attendees about how to undertake these procedures correctly and how to avoid wrongdoing and auditing of the activities of directors, executives and staff showed that these were in full compliance with the regulations.

### **(3) Reporting of Potential Conflicts of Interest by Directors and Executives**

Company directors and executives are required to report all potential conflicts of interest. This includes reporting all assets held by these individuals, their partners, and any children that have yet to reach the age of maturity. As required by the law, the Company also ensures that changes of shareholdings are reported to the Securities and Exchange Commission within three days of this change when these holdings are of 30% or more of all issued shares in a company. In 2023, disclosure of assets and changes in the ownership of securities held by directors and executives was full and complete, and in compliance with the relevant legislation.

### **(4) Anti-Corruption**

The Company has implemented the following measures to enforce its anti-fraud and anti-corruption policy: -

- The Company has instructed all employees, including directors and executives, to strictly follow all procedures within the bounds of the law. Any errors or negligence in work execution will be subject to penalties under applicable laws.
- The Company reviews its corruption risk management plans and fraud and corruption risk manual at least annually. The risk of fraud and corruption is assessed, and operations are monitored through the corruption risk management framework. The results of these reviews are presented to the Risk Management Committee for endorsement.
- The Company has established mechanisms for reporting any suspected violations, fraud, or corruption and has implemented measures to protect whistleblowers.
- The Board of Directors has reviewed the relevancy of the Anti-Corruption Policy at least once a year.

While the Company has not yet participated in the Thai Private Sector Collective Action Against Corruption (CAC) project, the Anti-Corruption Policy remains a priority for the Company.

In 2023, the Company has not encountered any instances of fraud, corruption, or ethical violations. The Anti-Corruption Policy is available on the Company's website, [www.psgcorp.co.th](http://www.psgcorp.co.th), under the section on corporate governance.

### **(5) Whistleblowing**

The Board of Directors places a strong emphasis on the need for good governance, transparency, good corporate ethics, and full compliance with all relevant laws and regulations. To this end, the Company has established a policy for reporting complaints and grievances, for making channels of communication available to stakeholders, and for protecting those making these complaints and submitting evidence in support of this. A process is thus in place to allow complaints to be examined as these relate to corruption, or illegal or inappropriate behavior in areas such as financial reporting, internal systems, violations of individual rights, or other misconduct by executives and staff.

The Company has established communication channels by which complaints can be made and supporting evidence submitted. This will then be assessed by a committee that operates independently of company management.

#### Whistleblowing Channels:

The Company has established methods for stakeholders to report and file grievances via the following channels:

**Channel 1** Via E-mail at [ac@psgcorp.co.th](mailto:ac@psgcorp.co.th) or [ceo@psgcorp.co.th](mailto:ceo@psgcorp.co.th)

**Channel 2** Via telephone 02-018-7190-8

**Channel 3** Via a sealed letter to Internal Audit Department, PSG Corporation PCL. PSG Corporation Public Company Limited 11/1 AIA Sathorn Tower, 21<sup>st</sup> Floor, South Sathorn Road, Yannawa, Sathorn, Bangkok 10120.

In 2023, there were no reports or complaints about corruption or violations of corporate governance guidelines.

The Complaint and Whistleblowing Policy and Whistleblowing Protection Policy, including the Anti-Corruption Policy is published on [www.psgcorp.co.th](http://www.psgcorp.co.th) under the topic of corporate governance.

#### Investor Relations

The Company has provided channels to disclose and clarify the Company information to ensure that all stakeholders can access clear, equitable, accurate, comprehensive, and timely information through the Investor Relations Department. This department is responsible for communicating with shareholders, institutional investors, securities analysts, investors, and interested parties in general.

In 2023, the Company communicated its financial and operational information through the following diverse channels:

- Create and circulate the Press Release to the media.
- Respond to inquiries from shareholders, general investors, as well as analysts through the telephone number 02-018-7190-8 and Email: [ir@psgcorp.co.th](mailto:ir@psgcorp.co.th)

- Create the Company Snapshot to disclose on SET website.
- Regularly updated the Company website with comprehensive and current information to ensure effective information disclosure by the Company, allowing shareholders, investors, and interested parties to access accurate and timely company information.

## 8.2 Performance of the Audit Committee

### 8.2.1 Meeting Attendance

Please see 8.1.2 Meeting Attendance for more information.

### 8.2.2 Performance of the Audit Committee

Please see the report of the Audit Committee in Appendix 6, this form 56-1 One Report.

## 8.3 Performance of Other Sub-Committees

### 8.3.1 Meeting Attendance

Please see detail in 8.1.2 Meeting Attendance.

### 8.3.2 Performance of Sub-Committees

Please see the report of Other Sub-Committees in Appendix 6, this form 56-1 One Report.

## 8.4 Key developments in policies, guidelines, and the corporate governance framework in the previous year

### 8.4.1 Significant changes and developments related to the review of policies, guidelines, and corporate governance systems. or charter of the Board of Directors in the previous year

In 2023, the Company reviewed all policies, practices, corporate governance framework, and subcommittee charters. This review was done to reflect any changes that took place and ensure compliance with the good corporate governance principles for listed companies in 2017.

### 8.4.3 Some Good Corporate Governance Not Practiced by the Company

In 2023, the Company were some practices that were not fully realized. The Company has implemented alternative measures to address these areas, as follows: -

### 8.4.2 Other guidelines according to the principles of good corporate governance

The Company remains committed to the principles of good corporate governance and accountability to its shareholders and stakeholders.

Principles of Good Corporate Governance	Clarification and Justification
<ul style="list-style-type: none"> <li>The Chairman of the Board is not considered an Independent Director.</li> </ul>	<p>The Board of Directors selects the appropriate person as Chairman of the Board of Directors. Although the Company’s Chairman is not an independent director, he has supervised the Company fairly and transparently, taking into account the interests of the Company and not contributing to the interests of any person in particular. The Chairman has also encouraged representative directors and independent directors to discuss and express their opinions freely.</p>
<ul style="list-style-type: none"> <li>The Board consists of female directors.</li> </ul>	<p>The Company has not yet appointed a female director. However, the Nomination Committee is always aware of the diversity issue in the Board of Directors and seeks to recruit Board members without discrimination of gender, age, race or nationality.</p>
<ul style="list-style-type: none"> <li>It is recommended that a Corporate Governance Committee and Sustainability Committee be established.</li> </ul>	<p>The Board of Directors is responsible for monitoring corporate governance and sustainability matters and conducting an annual review of the implementation of the principles. Despite not having a formal Corporate Governance Committee and Sustainability Committee in place, the Board is committed to maintaining the highest standards of corporate governance.</p>

The Company acknowledges the significance of good corporate governance principles, despite some of them still being in the process of implementation. The Company remains committed to enhancing its practices and adapting to the evolving requirements of the business landscape.

The complete Report on Key Operating Performance Related to Corporate Governance and its details can be found on the Company’s website at [www.psgcorp.co.th](http://www.psgcorp.co.th).

[https://www.psgcorp.co.th/TH/corporate\\_governance.html#corporate1](https://www.psgcorp.co.th/TH/corporate_governance.html#corporate1)

## 9. Internal Control and Connected Transactions

### 9.1 Internal control

#### Opinions of the Board of Directors on Internal Control

The Board of Directors at the Company recognizes the importance of having proper internal controls in place for operational efficiency, effectiveness, accountability, and compliance with relevant laws and regulations. To maintain good corporate governance and improve the internal control system, the Company has engaged an external firm specializing in internal audit services. This firm will conduct an internal audit and provide recommendations for establishing, streamlining, and improving the Company's internal control system. As a result of this collaboration, the Company has created an internal audit unit to monitor and design work systems that ensure compliance with the Company's requirements and regulations.

To assess the effectiveness and relevance of the internal control system, the Management has engaged the same external firm to collaborate with the internal audit unit. The Audit Committee has been tasked with reviewing and evaluating the internal audit results and presenting its findings to the Board of Directors.

#### 9.1.1 Adequacy and Suitability of Internal Control System

In 2023, the Audit Committee engaged KPMG Phoomchai Business Advisory Ltd. ("KPMG"), an external firm, as Company's internal auditor. The Head of Alliance of KPMG, Mr. Sukit Vongthavaravat, will work closely with the Company's internal audit unit. The findings of the internal audits will be presented directly to the Audit Committee.

Moreover, the Audit Committee engaged Dharmniti Internal Audit Co., Ltd. ("Dharmniti"), an external firm, to ensure the evaluations of the internal control are conducted in accordance with the regulator's standards, the Company has adopted an evaluation framework based on the five components outlined by COSO.

#### 1. Control Environment

- (1) The organization upholds the principles of integrity and ethics.
- (2) The Board of Directors has a separate and distinct role from the executives and is responsible for overseeing and evaluating the performance of internal audits.
- (3) The executives have established a transparent chain of command to delegate authority and responsibility effectively, ensuring that the organization can achieve its objectives while being monitored by the Board of Directors.
- (4) The organization is committed to fostering, developing, and retaining highly skilled and knowledgeable personnel.
- (5) The personnel roles and responsibilities related to internal control have been clearly defined to support achieving the organization's goals.

#### 2. Risk Assessment

- (1) The organization has established clear objectives for identifying and assessing the risks to achieving its business goals.
- (2) The organization has thoroughly identified and analyzed all types of risks that could impede attaining its goals.
- (3) To ensure the business's success, the Company has considered the potential for corruption as a risk factor.
- (4) The organization is capable of recognizing and evaluating any changes that may impact the internal control system.

#### 3. Control Activities

- (1) The Company has put in place control measures to reduce the risk of not achieving its goals to an acceptable level.
- (2) To support its objectives, the Company has selected and implemented broad internal control processes using technology systems.

- (3) The organization enforces control activities through policies that clearly outline expectations and the steps necessary to implement the policies.

#### 4. Information and Communication

- (1) The Company has adequate and high-quality resources to support and enhance the proper functioning of internal control.
- (2) The Company has effectively communicated its objectives and accountability throughout the organization, enabling internal control to operate as intended.
- (3) The Company has informed external units of any issues that could impact internal control.

#### 5. Monitoring Activities

- (1) The Company regularly monitors and assesses the results of its internal controls to ensure that they are being carried out thoroughly and accurately.
- (2) The Company promptly identifies and reports any shortcomings in the internal control system to those in positions of authority, including senior executives and the Board of Directors.

### 9.1.2 Internal Control System Defect and Correction

An external audit of the Company's internal control system revealed no deficiencies.

### 9.1.3 Opinions of the Audit Committee in case they are different from the Company's Board of Directors or the auditor's

Independent directors serving on the Audit Committee attended the first Board of Directors Meeting of the year on February 27, 2024. The Board of Directors was presented with the 2023 Internal Audit Report, which had been reviewed and evaluated by KPMG, and acknowledged the evaluation report regarding COSO's framework, which was evaluated by Dharmniti. and has been reviewed by the Audit Committee.

The Company's auditor. Both the Board of Directors and the Audit Committee agreed that the Company's internal

control was reasonable and appropriate for its business operations, based on the evaluation of the internal control system for the year 2023. The Company has also implemented the ISO 9001:2015 quality management system, which has improved the internal control system by promoting clarity, transparency, systematic work standards, and credibility/reliability. This implementation has also ensured that the Company's risk management is effective through ongoing risk management and corporate governance.

### 9.1.4 Profile of Internal Audit Supervisor and Compliance Supervisor

In 2023, the Board of Directors appointed KPMG, an external firm, as the Company's internal auditor. The Audit Committee conducted a screening process and selected Mr. Sukit Vongthavaravat, Head of Alliance, to serve as the Company's internal auditor. Mr. Sukit Vongthavaravat has professional qualification and has extensive experience in internal audit in similar firms and industries. The Audit Committee reviewed her qualifications and determined that she was fully qualified to perform the duties of the primary individual responsible for evaluating the Company's internal control system.

Additionally, the Company appointed Mr. Chaiyasak Naosuwan as its in-house internal auditor to manage and oversee all work operations in accordance with internal control and risk management practices. For further details, refer to the internal auditor's profile in Appendix 3.

#### Head of Compliance

The Company designated Ms. Pathamakorn Buranasin, Chief of CEO Office, as the Head of Compliance to oversee activities in line with the standards set by the governmental agencies governing the Company's business operations. The qualifications of the Head of Compliance can be found in Appendix 3.

## 9.2 Connected Transactions

Since the Company recognizes the importance of good corporate governance, connected transaction policy is established. The policy includes the scope of transactions, the definition of connected person, types of connected transaction, the calculation of the transaction size and the guideline of operation as well as the disclosure in accordance with the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission together with the Announcement of Capital Market Supervisory Board (CMSB) Tor. Jor. 21/2551 on connected transaction rules.

### 9.2.1 Related Party Transaction

From 2021 to 2023, the Company and its subsidiary conducted normal business transactions and normal business-support transactions with connected persons as the following details.

(Unit: Million Baht)

Person/Juristic person	Relationship	Description of Transaction	Value of Connected Transaction			Necessity/Reason
			2023	2022	2021	
<b>Transaction 1</b> Phonesack Group Company Limited	The juristic person connecting with the Company's director	1. Expenses on visa and work permit operations 2. Other payables	0.14 0.01	0.50	0.07	Expenditure on coordinating with agencies and institutions in Lao PDR such as visa and work permit fees which was operated by the project owner.
<b>Transaction 2</b> The White Space Company Limited	The juristic person connecting with the Company's director	Expenses on phone number supply and phone bills of executives in November 2021	-	-	0.02	It was occasional transaction which has not been continued in the future.
<b>Transaction 3</b> Master Car Rental Company Limited <sup>1</sup>	The juristic person connecting with the Company's director	The Company's car rental agreement	-	-	0.14	It was the agreement signed before there was the change of new Board of Director and it was defined in connected transaction since March 2022.
<b>Transaction 4</b> Xekong Power Plant Company Limited ("XPPL")	The juristic person connecting with the Company's director	1. Income per construction contract 2. Accounts receivable 3. Unbilled receivables 4. Unearned payables 5. Fuel and public utility cost 6. Equipment rental fee 7. Other payables	2,597.67 603.15 1,108.89 79.52 0.79 - 0.19	1,024.37 71.80 76.0 - 0.26 0.34 0.18	-	XPPL hired the Company to undertake construction project per contract.  To facilitate and provide service on public utility and equipment, the Company used XPPL's service; and its price was reasonable, compared to the service fee charged by other providers.

(Unit: Million Baht)

Person/Juristic person	Relationship	Description of Transaction	Value of Connected Transaction			Necessity/Reason
			2023	2022	2021	
<b>Transaction 5</b> Xekong Thermal Power Plant Company Limited (“XTPPL”)	The juristic person connecting with the Company’s director	1. Other incomes 2. Other receivables	2.06 2.04	-	-	XTPPL hired the Company for working as an advisor.
<b>Transaction 6</b> PSGC (Lao) Sole Company Limited (“PSGC Lao”)	The Company’s subsidiary holding 100% stakes	1. Subcontractor cost 2. Accounts payable 3. Other payables	738.07 243.79 0.30	333.63 44.09 0.09	-	The Company hired PSGC Lao work as a sub-contractor and a project manager for the Resettlement project.
<b>Transaction 7</b> PT Sole Company Limited	The juristic person connecting with the Company’s director	1. Office rental fee and public utility cost 2. Interest expenses 3. Lease liabilities	0.21 0.05 0.89	0.28 -	-	PSGC Lao has rented office space on the 6th floor from PT Sole Company Limited. The rental fee and public utility cost were the normal rate and its price was reasonable, compared to the service fee charged by other service providers.

**Note:**<sup>1</sup> It started to be connected transaction on October 27<sup>th</sup>, 2021.

## 9.2.2 Necessity and reasonability of connected transaction

The Company and its subsidiary have made the connected transactions, especially according to necessity and all the transactions were made for the sake of the Company’s highest benefit. Audit Committee provided an opinion that these connected transactions were ordinary business support transactions under general commercial conditions, proven to be fair and did not lead to the benefit transfer. The description of connected transaction in 2022 were as follows.

### Phonesack Group Company Limited:

The Company paid to Phonesack Group Company Limited for the expenses regarding coordinating with agencies and institutions in Lao PDR such as visa and work permit fee, which was operated by the project owner, and it was normal business-support transaction. Its price was reasonable compared to the service fee charged by other service providers.

### Xekong Power Plant Company Limited (“XPPL”)

XPPL hired the Company to conduct construction contracting project. The price charged per contract was

under general commercial condition. In addition to this charge, the Company’s construction team purchased fuel from XPPL for the operations of the project since Lao PDR has encountered the issue on domestic fuel supply and other fuel sources were far from the project site as well as the fuel price of XPPL was according to market price. In addition, the Company’s construction team purchased other utilities, i.e. water supply, cleaning services being charged according to the market price. The rental of equipment used at the beginning of the construction project was charged properly and reasonably compared to other entrepreneurs.

### PSGC (Lao) Sole Company Limited (“PSGC Lao”)

The Company signed an agreement with PSGC Lao to undertake subcontracting by providing contractors to conduct the construction project and a project manager for the Resettlement project. The price charged was under general commercial condition. Furthermore, PSGC Lao facilitated the Company with vehicles support as the construction site was remote. The price for vehicles support was reasonable and was defined as ordinary business support transaction.

### PT Sole Company Limited (“PT Sole”)

PSGC Lao rented office space on the 6th floor from PT Sole with reasonable rental fee and public utility cost compared to that of other landlords.

#### 9.2.3 Measure or procedure of connected transaction approval

In case the connected transactions of the Company and its subsidiary are made with juristic person or person who may lead to conflict of interest in the future, the Company sets the approval process of connected transaction as follows:

1. The Company will consider whether the connected transaction between the Company and/or its subsidiary and juristic person/person may lead to conflict of interest as defined by Securities and Exchange Commission (SEC).
2. In case it is related transaction, the Company will calculate value of related transaction and compare with net tangible assets (NTA) of the Company to calculate the transaction size as specified by SEC. SEC categorizes connected transaction into 5 types: 1) Normal business transaction 2) Normal business-support transaction 3) Transaction on offering short-term real estate rental 4) Transaction relating to products and services and 5) Transaction on offering or receiving financial assistance.
3. In case the related transactions are normal business transaction and normal business-support transaction, the Board of Directors empowers the Management to consider the process and price. Such transaction must be under general commercial conditions which consist of fair price and do not lead to benefit transfer. The Management is required to perform the report of such transaction to present to Audit Committee and the Board of Directors for acknowledgement quarterly.
4. In case of other connected transactions in addition to the transaction mentioned above, the Company follows the measure and procedure of connected transaction approval for the sake of the Company highest benefit, similarly to arm’s length transaction

to be transparent, no conflict of interest and offering highest benefit to the Company and shareholders. The Company measures the size of transaction and follows the instructions imposed by Securities and Exchange Commission, to present to Audit Committee for gaining opinion on the necessity and suitability of such transaction. In case the AC has no expertise on certain transactions, the Company will appoint independent expert/specialist or the Company’s auditor to provide opinion on such transaction for the BoD or shareholders’ making decision. The director who holds stake with such connected transaction is unable to approve or vote for the resolution on the relevant matter.

#### 9.2.4 Policy or plan on future connected transaction

The Company will consider undertaking only the connected transactions that are vital or categorized in business support. The price measurement follows criteria and guideline of general commercial price measurement. The Company abides by measure and process of connected transaction approval together with the opinion of Audit Committee on the necessity and suitability of the transaction in case the AC has no expertise on certain transactions, the Company will appoint independent expert/specialist or the Company’s auditor to provide opinion on such transaction for the BoD or shareholders’ making decision.

In addition, the Company has its policy to strictly comply with announcement, rules and regulations of the Stock Exchange of Thailand (SET) and Securities and Exchange Commission (SEC) as well as accounting standard by Thai Accountant Association and Certified Public Accountant. Moreover, the Company will disclose the description of connected transaction in note to financial statement reviewed and audited by the Company’s auditor, including in the Company’s Annual Report. The Company also has no policy to designate representative to conduct any non-transparent transactions on behalf of the Company.



Part

# 3

Financial Statements



# Board of Director’s Responsibility for Financial Reports

The Board of Directors has mandated the preparation of financial statements to show the financial position and performance of the Company for 2023, following relevant legal requirements and financial reporting standards. The Board recognizes its responsibilities and obligations as registered directors of the Company in overseeing the Company’s financial management, including the financial information presented in the annual report for 2023. The financial statements have been prepared under generally accepted accounting principles and consistently applied and exercised with due care and judgment. The Company has also disclosed sufficient vital information to support the financial statements to benefit shareholders and general investors transparently.

In addition, the Company’s Board of Directors has established and maintained an effective risk management and internal control system to ensure accounting records' accuracy and safeguard the Company’s assets. Such a system ensures that the financial information is recorded accurately and entirely and prevents any significant irregularities or misconduct.

The Board of Directors has established an independent audit committee to review the Company’s financial reports and internal control systems. The opinions of the Audit Committee regarding these matters are reflected in the Audit Committee’s report, which is included in this annual report.

The Company’s overall internal control system is satisfactory. It provides reasonable assurance that the Company’s financial statements for the year ended December 31, 2023, including the balance sheet, income statement, and cash flow, have been prepared following significant accounting principles.



**Mr. Van Hoang Dau**

Chairman



**Mr. David Van Dau**

Chief Executive Officer

**PSG Corporation Public Company Limited and its subsidiary**  
Report and consolidated financial statements  
31 December 2023

## Independent Auditor's Report

To the Shareholders of PSG Corporation Public Company Limited

### Opinion

I have audited the accompanying consolidated statement of financial position of PSG Corporation Public Company Limited and its subsidiary (the Group) which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of PSG Corporation Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of PSG Corporation Public Company Limited and its subsidiary and of PSG Corporation Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Key Audit Matter

Key audit matters are those matters that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond to the matter are described below.

### *Recognition of revenue from construction contracts*

The Group disclosed its policies on recognition of revenue from construction contracts and estimation of construction project costs in Note 4 and Note 5 to the financial statements.

I identified the recognition of revenue from construction contracts to be area of significant risk in audit. This is because the amount of revenue from construction contracts that the Group recognises in each period forms a significant portion of the Group's total revenue.

In addition, the process of measurement and the determination of appropriate timing of recognition are areas requiring management to exercise significant judgement to assess the percentage of completion of construction work. There are therefore risks with respect to the amount and timing of the recognition of revenue from construction contracts.

I examined the recognition of revenue from construction contracts by made enquiry of responsible person and gained an understanding of the operational procedure for the procurement process, the estimation of project costs and revisions thereto, the recognition of revenue and the estimation of percentage of work completion and possible losses from construction projects. I also read the construction contracts to consider the conditions relating to revenue recognition, made enquiry of responsible executives, gained an understanding of the Group's process to assess the percentage of completion and cost estimates for projects, checked estimates of project costs to the project budgets. I checked actual costs against supporting documents, tested the calculation of the percentage of completion based on actual construction costs incurred, performed analytical procedures on gross margins of construction projects and compared the percentage of completion as evaluated by the project engineer to the percentage of completion based on actual construction costs incurred.

### **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Chatchai Kasemsrithanawat  
Certified Public Accountant (Thailand) No. 5813

EY Office Limited  
Bangkok: 27 February 2024

**PSG Corporation Public Company Limited and its subsidiary**

**Statement of financial position**

**As at 31 December 2023**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	1,298,379,785	616,022,046	1,007,406,045	528,359,726
Trade and other receivables	6, 8	614,674,184	77,749,150	614,415,033	74,392,343
Contract assets	10	1,141,205,775	76,008,612	1,141,205,775	76,008,612
Current tax assets		-	43,967,467	-	43,967,467
Other current financial assets	11	450,757,573	802,727,760	450,757,573	802,727,760
Other current assets		3,399,100	4,136,678	681,143	4,118,671
<b>Total current assets</b>		<b>3,508,416,417</b>	<b>1,620,611,713</b>	<b>3,214,465,569</b>	<b>1,529,574,579</b>
<b>Non-current assets</b>					
Restricted bank deposits	9	15,501,500	15,501,500	15,501,500	15,501,500
Other non-current financial assets	11	26,159,268	23,211,477	26,159,268	23,211,477
Investments in subsidiary	12	-	-	45,000,000	45,000,000
Investment properties	13	66,876,000	66,876,000	66,876,000	66,876,000
Property, plant and equipment	14	24,957,613	26,904,044	21,548,944	25,139,569
Right-of-use assets	18	41,776,816	51,473,275	28,007,723	40,630,538
Retention receivables	10	95,907,582	46,312,991	95,907,582	46,312,991
Intangible assets		40,033	615,101	12,804	598,356
Deferred tax assets	25	-	93,689	-	50,310
Other non-current assets	15	153,718,594	96,283,588	153,718,594	96,283,588
<b>Total non-current assets</b>		<b>424,937,406</b>	<b>327,271,665</b>	<b>452,732,415</b>	<b>359,604,329</b>
<b>Total assets</b>		<b>3,933,353,823</b>	<b>1,947,883,378</b>	<b>3,667,197,984</b>	<b>1,889,178,908</b>

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

PSG Corporation Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade and other payables	6, 16	472,367,587	95,802,596	327,435,428	66,374,512
Contract liabilities	10	100,201,947	-	100,201,947	-
Current portion of lease liabilities	18	15,602,228	13,231,740	11,225,766	10,574,661
Other short-term borrowing	17	-	12,235,690	-	12,235,690
Income tax payable		195,153,347	2,640,747	187,632,936	-
Retention payables		36,183,525	22,881,440	44,744,360	26,078,078
Other current provisions		6,002,408	800,334	6,002,408	800,334
Other current liabilities		15,558,451	11,899,447	14,098,195	11,899,447
<b>Total current liabilities</b>		<b>841,069,493</b>	<b>159,491,994</b>	<b>691,341,040</b>	<b>127,962,722</b>
<b>Non-current liabilities</b>					
Lease liabilities, net of current portion	18	20,326,467	31,925,809	16,261,826	27,487,592
Provision for decommissioning		4,959,630	4,671,967	4,959,630	4,671,967
Provision for long-term employee benefits	19	6,149,003	6,489,467	5,507,416	6,272,574
Deferred tax liabilities	25	3,842,948	-	1,744,132	-
Provisions for loss on litigations	29.2	-	7,139,661	-	7,139,661
<b>Total non-current liabilities</b>		<b>35,278,048</b>	<b>50,226,904</b>	<b>28,473,004</b>	<b>45,571,794</b>
<b>Total liabilities</b>		<b>876,347,541</b>	<b>209,718,898</b>	<b>719,814,044</b>	<b>173,534,516</b>

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

**PSG Corporation Public Company Limited and its subsidiary**

**Statement of financial position (continued)**

**As at 31 December 2023**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Shareholders' equity</b>				
Share capital				
Registered				
64,992,438,156 ordinary shares of Baht 1 each	<u>64,992,438,156</u>	<u>64,992,438,156</u>	<u>64,992,438,156</u>	<u>64,992,438,156</u>
Issued and fully paid				
64,992,438,156 ordinary shares of Baht 1 each	64,992,438,156	64,992,438,156	64,992,438,156	64,992,438,156
Share discount	22 (62,272,362,796)	(62,272,362,796)	(62,272,362,796)	(62,272,362,796)
Expired warrant surplus	23 7,859,252	7,859,252	7,859,252	7,859,252
Retained earnings (Deficit)				
Appropriated - statutory reserve	21 15,795,942	5,526,839	15,795,942	5,526,839
Unappropriated (Deficit)	299,532,470	(1,006,614,297)	195,112,956	(1,023,999,256)
Other components of shareholders' equity	<u>13,743,258</u>	<u>11,317,326</u>	<u>8,540,430</u>	<u>6,182,197</u>
<b>Total shareholders' equity</b>	<u>3,057,006,282</u>	<u>1,738,164,480</u>	<u>2,947,383,940</u>	<u>1,715,644,392</u>
<b>Total liabilities and shareholders' equity</b>	<u>3,933,353,823</u>	<u>1,947,883,378</u>	<u>3,667,197,984</u>	<u>1,889,178,908</u>
	-	-	-	-

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

.....  
Directors  
.....

PSG Corporation Public Company Limited and its subsidiary

Statement of comprehensive income

For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Profit or loss:</b>					
<b>Revenues</b>					
Revenues from construction contracts	6	2,734,572,751	1,029,748,212	2,734,572,751	1,029,748,212
Other income		16,177,097	20,550,445	16,169,947	20,550,269
<b>Total revenues</b>		<b>2,750,749,848</b>	<b>1,050,298,657</b>	<b>2,750,742,698</b>	<b>1,050,298,481</b>
<b>Expenses</b>					
Cost of construction contracts	6	862,803,686	336,619,984	990,203,524	377,898,880
Administrative expenses		217,746,789	122,983,679	204,729,380	113,149,499
Exchange losses		10,820,810	27,741,302	15,267,213	16,850,435
<b>Total expenses</b>		<b>1,091,371,285</b>	<b>487,344,965</b>	<b>1,210,200,117</b>	<b>507,898,814</b>
<b>Operating profit</b>		<b>1,659,378,563</b>	<b>562,953,692</b>	<b>1,540,542,581</b>	<b>542,399,667</b>
Finance costs		(4,183,410)	(3,433,702)	(3,288,860)	(2,890,422)
<b>Profit before income tax expenses</b>		<b>1,655,195,153</b>	<b>559,519,990</b>	<b>1,537,253,721</b>	<b>539,509,245</b>
Income tax expenses	25	(338,779,283)	(19,063,516)	(307,872,406)	(16,437,730)
<b>Profit for the year</b>		<b>1,316,415,870</b>	<b>540,456,474</b>	<b>1,229,381,315</b>	<b>523,071,515</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		67,699	5,135,129	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Gain (loss) on changes in value of equity instruments designated at fair value through other comprehensive income		2,947,791	(9,599,054)	2,947,791	(9,599,054)
Add (less): Income tax effect		(589,558)	2,152,785	(589,558)	2,152,785
Actuarial gain		-	121,645	-	121,645
Less: Income tax effect		-	(443,947)	-	(443,947)
<b>Other comprehensive income for the year</b>		<b>2,425,932</b>	<b>(2,633,442)</b>	<b>2,358,233</b>	<b>(7,768,571)</b>
<b>Total comprehensive income for the year</b>		<b>1,318,841,802</b>	<b>537,823,032</b>	<b>1,231,739,548</b>	<b>515,302,944</b>
<b>Earnings per share</b>					
Basic earnings per share	26	0.0203	0.0083	0.0189	0.0080

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

PSG Corporation Public Company Limited and its subsidiary  
Statement of changes in shareholders' equity  
For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements										
	Other components of shareholders' equity										
	Note	Issued and fully paid share capital	Share discount	Expired warrant surplus	Retained earnings (Deficit)		Exchange differences on translation of financial statements in foreign currency	Surplus on revaluation of assets	Gain (loss) on investment in equity instruments designated at fair value through other comprehensive income		Total other components of shareholders' equity
Appropriated - statutory reserve					Unappropriated	instruments designated at fair value through other comprehensive income			comprehensive income		
<b>Balance as at 1 January 2022</b>		64,992,438,156	(62,272,362,796)	7,859,252	5,526,839	(1,546,748,469)	-	14,793,339	(1,164,873)	13,628,466	1,200,341,448
Profit for the year		-	-	-	-	540,456,474	-	-	-	-	540,456,474
Other comprehensive income for the year		-	-	-	-	(322,302)	5,135,129	-	(7,446,269)	(2,311,140)	(2,633,442)
Total comprehensive income for the year		-	-	-	-	540,134,172	5,135,129	-	(7,446,269)	(2,311,140)	537,823,032
<b>Balance as at 31 December 2022</b>		64,992,438,156	(62,272,362,796)	7,859,252	5,526,839	(1,006,614,297)	5,135,129	14,793,339	(8,611,142)	11,317,326	1,738,164,480
<b>Balance as at 1 January 2023</b>		64,992,438,156	(62,272,362,796)	7,859,252	5,526,839	(1,006,614,297)	5,135,129	14,793,339	(8,611,142)	11,317,326	1,738,164,480
Profit for the year		-	-	-	-	1,316,415,870	-	-	-	-	1,316,415,870
Other comprehensive income for the year		-	-	-	-	-	67,699	-	2,358,233	2,425,932	2,425,932
Total comprehensive income for the year		-	-	-	-	1,316,415,870	67,699	-	2,358,233	2,425,932	1,318,841,802
Transfer to appropriated statutory reserve	21	-	-	-	10,269,103	(10,269,103)	-	-	-	-	-
<b>Balance as at 31 December 2023</b>		64,992,438,156	(62,272,362,796)	7,859,252	15,795,942	299,532,470	5,202,828	14,793,339	(6,252,909)	13,743,258	3,057,006,282

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

PSG Corporation Public Company Limited and its subsidiary

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2023

(Unit: Baht)

Note	Separate financial statements										Total shareholders' equity
	Issued and fully paid share capital	Share discount	Expired warrant surplus	Retained earnings (Deficit)		Surplus on revaluation of assets	Gain (loss) on investment in equity instruments designated at fair value through other comprehensive income		Total other components of shareholders' equity	Total shareholders' equity	
				Appropriated - statutory reserve	Unappropriated		Other comprehensive income	Other components of shareholders' equity			
<b>Balance as at 1 January 2022</b>	64,992,438,156	(62,272,362,796)	7,859,252	5,526,839	(1,546,748,469)	14,793,339	(1,164,873)	13,628,466	1,200,341,448		
Profit for the year	-	-	-	-	523,071,515	-	-	-	523,071,515		
Other comprehensive income for the year	-	-	-	-	(322,302)	-	(7,446,269)	(7,446,269)	(7,768,571)		
Total comprehensive income for the year	-	-	-	-	522,749,213	-	(7,446,269)	(7,446,269)	515,302,944		
<b>Balance as at 31 December 2022</b>	<b>64,992,438,156</b>	<b>(62,272,362,796)</b>	<b>7,859,252</b>	<b>5,526,839</b>	<b>(1,023,999,256)</b>	<b>14,793,339</b>	<b>(8,611,142)</b>	<b>6,182,197</b>	<b>1,715,644,392</b>		
<b>Balance as at 1 January 2023</b>	64,992,438,156	(62,272,362,796)	7,859,252	5,526,839	(1,023,999,256)	14,793,339	(8,611,142)	6,182,197	1,715,644,392		
Profit for the year	-	-	-	-	1,229,381,315	-	-	-	1,229,381,315		
Other comprehensive income for the year	-	-	-	-	-	-	2,358,233	2,358,233	2,358,233		
Total comprehensive income for the year	-	-	-	-	1,229,381,315	-	2,358,233	2,358,233	1,231,739,548		
Transfer to appropriated statutory reserve	-	-	-	10,269,103	(10,269,103)	-	-	-	-		
<b>Balance as at 31 December 2023</b>	<b>64,992,438,156</b>	<b>(62,272,362,796)</b>	<b>7,859,252</b>	<b>15,795,942</b>	<b>195,112,956</b>	<b>14,793,339</b>	<b>(6,252,909)</b>	<b>8,540,430</b>	<b>2,947,383,940</b>		

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

**PSG Corporation Public Company Limited and its subsidiary**
**Cash flow statement**
**For the year ended 31 December 2023**

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities</b>				
Profit before income tax	1,655,195,153	559,519,990	1,537,253,721	539,509,245
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	21,169,196	15,393,360	17,624,863	14,032,469
Allowance for impairment of loss on asset	-	108,000	-	108,000
Provision for long-term employee benefits	1,224,869	1,123,174	800,175	906,281
Reversal of trade and other payables	(1,133,825)	(119,171)	(1,133,825)	(119,171)
Other current provisions	5,296,225	82,573	5,296,225	82,573
Reversal of provision for expected loss on construction contract	-	(482,579)	-	(482,579)
Reversal of provision for penalty arising from expected delay on construction contract	-	(837,000)	-	(837,000)
Reversal of retention payables	-	(183,619)	-	(183,619)
Reversal of provisions for loss on litigations	(7,139,661)	(463,569)	(7,139,661)	(463,569)
Gain on disposal of equipments	(21,015)	(6,198,422)	(21,015)	(6,198,422)
Unrealised loss on exchange	50,231,382	37,905,172	50,231,382	37,905,172
Unrealised gain on changes in value of other current financial assets	(4,673,606)	(2,727,760)	(4,673,606)	(2,727,760)
Interest income	(752,991)	(436,190)	(752,991)	(436,190)
Bank fees	1,008,454	860,609	1,008,454	860,609
Interest expenses	3,174,956	2,573,093	2,280,406	2,029,813
Profit from operating activities before changes in operating assets and liabilities	1,723,579,137	606,117,661	1,600,774,128	583,985,852

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



PSG Corporation Public Company Limited and its subsidiary

Cash flow statement (continued)

For the year ended 31 December 2023

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Operating assets (increase) decrease				
Trade and other receivables	(558,879,140)	(72,063,547)	(561,976,798)	(68,706,740)
Contract assets	(1,065,197,163)	(64,268,438)	(1,065,197,163)	(64,268,438)
Other current financial assets	356,643,793	(800,000,000)	356,643,793	(800,000,000)
Other current assets	737,578	(3,051,379)	3,437,528	(3,033,372)
Retention receivables	(51,997,932)	(35,394,498)	(51,997,932)	(35,394,498)
Other non-current assets	12,082,461	(15,338,632)	12,082,461	(15,338,632)
Operating liabilities increase (decrease)				
Trade and other payables	378,144,293	70,164,587	262,640,219	40,271,412
Contract liabilities	100,201,947	-	100,201,947	-
Retention payables	13,755,305	4,430,547	19,119,501	7,627,185
Other current provisions	(86,750)	(54,259)	(86,750)	(54,259)
Other current liabilities	3,659,004	1,303,812	2,198,748	1,303,812
Cash paid for long-term employee benefits	(1,565,333)	-	(1,565,333)	-
Cash flows from (used in) operating activities	911,077,200	(308,154,146)	676,274,349	(353,607,678)
Interest received	696,829	475,583	696,829	475,583
Bank fees paid	(1,008,454)	(861,034)	(1,008,454)	(861,034)
Cash paid for income tax	(142,276,408)	(65,361,717)	(119,034,586)	(65,361,717)
<b>Net cash flows from (used in) operating activities</b>	<b>768,489,167</b>	<b>(373,901,314)</b>	<b>556,928,138</b>	<b>(419,354,846)</b>

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

PSG Corporation Public Company Limited and its subsidiary

Cash flow statement (continued)

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Cash flows from investing activities</b>				
Decrease in restricted bank deposits	-	2,690,000	-	2,690,000
Cash paid for advances for future projects	(25,550,000)	(25,550,000)	(25,550,000)	(25,550,000)
Proceed from sales of equipments	21,016	10,169,873	21,016	10,169,873
Cash paid for acquisitions of building improvement and equipment	(2,959,521)	(14,894,880)	(810,030)	(12,987,214)
Cash paid for acquisitions of intangible assets	(31,629)	(18,835)	(15,842)	-
Cash paid for purchases of investment in subsidiary (Note 12)	-	-	-	(45,000,000)
<b>Net cash flows used in investing activities</b>	<b>(28,520,134)</b>	<b>(27,603,842)</b>	<b>(26,354,856)</b>	<b>(70,677,341)</b>
<b>Cash flows from financing activities</b>				
Cash paid from other short-term borrowing	(12,235,690)	-	(12,235,690)	-
Cash paid under lease liabilities	(15,129,514)	(12,426,901)	(10,574,661)	(7,327,007)
Interest paid	(2,887,292)	(2,368,349)	(1,992,742)	(1,825,069)
<b>Net cash flows used in financing activities</b>	<b>(30,252,496)</b>	<b>(14,795,250)</b>	<b>(24,803,093)</b>	<b>(9,152,076)</b>
<b>Increase (decrease) in translation adjustments</b>	<b>(634,928)</b>	<b>4,778,463</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>709,081,609</b>	<b>(411,521,943)</b>	<b>505,770,189</b>	<b>(499,184,263)</b>
Effects of exchange rate changes on cash and cash equivalents	(26,723,870)	(33,548,040)	(26,723,870)	(33,548,040)
Cash and cash equivalents at the beginning of the year	616,022,046	1,061,092,029	528,359,726	1,061,092,029
<b>Cash and cash equivalents at the end of the year</b>	<b>1,298,379,785</b>	<b>616,022,046</b>	<b>1,007,406,045</b>	<b>528,359,726</b>
	-	-	-	-
<b>Supplemental cash flow information:</b>				
Non-cash transactions				
Acquisitions of equipment for which no cash has been paid	-	41,150	-	41,150
Increase in right-of-use assets from lease liabilities	6,218,932	55,288,992	-	42,979,972
Increase in right-of-use assets from provision for decommissioning	-	4,467,223	-	4,467,223

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

**PSG Corporation Public Company Limited and its subsidiary**  
**Notes to consolidated financial statements**  
**For the year ended 31 December 2023**

**1. General information**

PSG Corporation Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is engaged in turnkey Engineering Procurement Construction (“EPC”) and large-scale construction projects. The Company office location and the registered office located at 11/1 AIA Sathorn Tower Building, 21st Floor, South Sathorn Road, Yannawa, Sathorn, Bangkok.

**2. Basis of preparation**

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements included the financial statements of PSG Corporation Public Company Limited (“the Company”) and its subsidiary (“the subsidiary”) (collectively as “the Group”) as follows:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2023</u>	<u>2022</u>
			Percent	Percent
<b><u>Subsidiary held directly by the Company</u></b>				
PSGC (Lao) Sole Company Limited	A plant and building construction and other related services	Lao People's Democratic Republic	100	100

b) The Company is deemed to have control over an investee or a subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

- c) The subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
  - d) The financial statements of the subsidiary is prepared using the same significant accounting policies as the Company.
  - e) The assets and liabilities in the financial statements of overseas subsidiary company is translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
  - f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- 2.3 The separate financial statements present investments in subsidiary and associate under the cost method.

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group’s financial statements.

#### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group’s financial statements.

## 4. Significant accounting policies

### 4.1 Revenue and expense recognition

#### *Revenues from construction contracts*

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.

#### *Interest income*

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

#### *Finance cost*

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

#### *Dividends*

Dividends are recognised when the right to receive the dividends is established.

### 4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

### **4.3 Contract assets/Contract liabilities and Retention receivables**

#### *Contract assets*

A contract asset is the excess of cumulative revenue earned over the billings to date. Contract assets are transferred to receivables when the rights become unconditional (i.e. services are completed and delivered to the customer).

#### *Contract liabilities*

A contract liability is recognised when the billings to date exceed the cumulative revenue earned and the Group has an obligation to transfer goods or services to a customer. Contract liabilities are recognised as revenue when the Group fulfils its performance obligations under the contracts.

Retention receivables are non-interest bearing, unsecured and relate to construction contracts and classified as non-current asset based on the contractual terms of respective contract. Retention receivables were derived from the amount deducted at the agreed rate from the service fees paid to the Group by its customers for each payment. These retention receivables shall be returned when the Group meets obligations and conditions stipulated in service contracts.

### **4.4 Investments in subsidiary**

Investments in subsidiary are accounted for in the separate financial statements using the cost method net of allowance for impairment on investments (if any).

### **4.5 Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gains or losses arising from changes in the value of investment properties are recognised in profit or loss when incurred.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

#### 4.6 Property, plant and equipment and depreciation

Land is stated at revalued amount. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Revaluation surplus". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus" in respect of the same asset.

Depreciation of building and equipment is calculated by reference to their cost on the straight-line basis over the following estimated useful lives:

Buildings and building improvement	5 - 20 years
Machinery and equipment	3 - 20 years
Furniture, fixtures and office equipment	5 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### 4.7 Intangible assets

The intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible assets of the Group with finite useful lives is computer software, and have useful lives of 5 years.

#### 4.8 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### **The Group as a lessee**

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

##### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings	4 years
Motor vehicles	3 - 4 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.



***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

**4.9 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the operations of the Group.

**4.10 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### 4.11 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investments in subsidiary, investment properties and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss. However, in cases where land were previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

#### 4.12 Employee benefits

##### ***Short-term employee benefits***

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### ***Post-employment benefits***

##### ***Defined contribution plans***

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

##### ***Defined benefit plans***

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

#### 4.13 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provision for losses on projects is made in the accounts in full when the possibility of loss is ascertained.

#### 4.14 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### 4.15 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

## **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

### ***Financial assets at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

### ***Financial assets designated at FVOCI (equity instruments)***

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include security investments held for trading and equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

## **Classification and measurement of financial liabilities**

At initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

## **Regular way purchases and sales of financial assets**

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset.

## **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

## **Impairment of financial assets**

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 120 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **4.16 Fair value measurement**

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

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

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

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

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

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

## 5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

### Revenue from construction contracts

The Group recognises revenue from construction contracts over time. To reflect the satisfaction of the performance obligation, the management determines the stage of completion using an input method, based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs at completion of the construction. Significant judgements is required in determining the contract costs incurred for work performed to date, estimated total contract revenue and construction costs, and the recoverability of the contract costs to complete, as well as assessing potential deductions from revenue due to delays in delivery or contractual penalties. In making these judgements, management relies past experience, historical information and information from the project engineers or the work of specialists (if any).

### Estimated construction project costs

The Group 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, labour costs and other miscellaneous costs to be incurred to completion of service, taking into account the direction of the movement in these costs. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

### Provision for losses on projects

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

**Allowance for expected credit losses of trade receivables and contract assets**

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

**Investment properties**

The Group presents investment properties at the fair value estimated by an independent appraiser, and recognises changes in the fair value in profit or loss. The independent appraiser valued the investment properties using the market approach for land. The valuation involves certain estimates.

**Property plant and equipment and depreciation**

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Group measures land at revalued amounts. Such amounts are determined by the independent appraiser using the market approach. The valuation involves certain estimates.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

**Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.



## 6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<b><u>Transactions with subsidiary</u></b>					
(eliminated from the consolidated financial statements)					
Subcontractor cost	-	-	738	334	Contract price
<b><u>Transactions with related parties</u></b>					
Revenues from construction contracts	2,598	1,024	2,598	1,024	Contract price
Other income	2	-	2	-	Contract price
Subcontractor cost	1	1	1	1	Agreed price
Other expenses	1	1	-	1	Contract price or agreed price
Interest expenses	1	-	-	-	Contract rate

As at 31 December 2023 and 2022, the balances of the accounts between the Group and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Trade receivables - related party (Note 8)</u></b>				
Related party (the Company's related persons)	603,151	71,797	603,151	71,797
Total trade receivables - related party	603,151	71,797	603,151	71,797
<b><u>Other receivables - related parties (Note 8)</u></b>				
Subsidiary	-	-	1	-
Related party (the Company's related persons)	2,043	-	2,043	-
Total other receivables - related parties	2,043	-	2,044	-

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Unbilled receivables - related party (Note 10)</u></b>				
Related party (the Company's related persons)	1,108,885	76,009	1,108,885	76,009
Total unbilled receivables - related party	1,108,885	76,009	1,108,885	76,009
<b><u>Trade payables - related party (Note 16)</u></b>				
Subsidiary	-	-	243,793	44,088
Total Trade payables - related party	-	-	243,793	44,088
<b><u>Other payables - related parties (Note 16)</u></b>				
Subsidiary	-	-	298	95
Related parties (the Company's related persons)	206	179	189	179
Total other payables - related parties	206	179	487	274
<b><u>Unearned payables - related party (Note 10)</u></b>				
Related party (the Company's related persons)	79,523	-	79,523	-
Total unearned payables - related party	79,523	-	79,523	-
<b><u>Lease liabilities - related parties (Note 18)</u></b>				
Related parties (the Company's related persons)	893	-	-	-
Total lease liabilities - related parties	893	-	-	-

**Directors and management's benefits**

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses payable to their directors and management as below:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	25,052	21,253	23,799	18,533
Post-employment benefits	502	602	237	454
Directors remuneration	2,229	2,858	2,229	2,858
Total	27,783	24,713	26,265	21,845

## 7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash	242	271	58	185
Bank deposits	1,298,138	615,751	1,007,348	528,175
Total	<u>1,298,380</u>	<u>616,022</u>	<u>1,007,406</u>	<u>528,360</u>

As at 31 December 2023, bank deposits in saving accounts and fixed deposits carried interests between 0.15 to 1.03 percent per annum (2022: between 0.15 to 0.53 percent per annum) (the Company only: between 0.15 to 0.60 percent per annum (2022: between 0.15 to 0.53 percent per annum)).

## 8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Trade receivables - related parties (Note 6)</u></b>				
Aged on the basis of due dates				
Not yet due	397,197	71,797	397,197	71,797
Past due				
Up to 3 months	205,954	-	205,954	-
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	-	-	-	-
Total trade receivables - related parties	<u>603,151</u>	<u>71,797</u>	<u>603,151</u>	<u>71,797</u>
<b><u>Trade receivables - unrelated parties</u></b>				
Aged on the basis of due dates				
Not yet due	-	-	-	-
Past due				
Up to 3 months	-	-	-	-
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	144,532	144,532	144,532	144,532
Total	<u>144,532</u>	<u>144,532</u>	<u>144,532</u>	<u>144,532</u>
Less: Allowance for expected credit losses	<u>(144,532)</u>	<u>(144,532)</u>	<u>(144,532)</u>	<u>(144,532)</u>
Total trade receivables - unrelated parties, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total trade receivables, net	<u>603,151</u>	<u>71,797</u>	<u>603,151</u>	<u>71,797</u>

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Other receivables</u></b>				
Other receivables - related party (Note 6)	2,043	-	2,044	-
Other receivables - unrelated parties	5,492	5,435	5,491	5,435
The Revenue Department receivable	8,938	5,716	8,938	2,371
Prepaid expenses	464	215	205	203
Total other receivables	16,937	11,366	16,678	8,009
Less: Allowance for expected credit losses	(5,414)	(5,414)	(5,414)	(5,414)
Total other receivables, net	11,523	5,952	11,264	2,595
Total trade and other receivable, net	614,674	77,749	614,415	74,392

The normal credit term is 30 days.

## 9. Restricted bank deposits

The outstanding balances represent bank deposit accounts which have been pledged with banks to secure the issuance of bank guarantees for construction contracts and credit facilities of the Group.

## 10. Contract assets / Retention receivables / Contract liabilities

### 10.1 Contract balances

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Contract assets</b>				
Unbilled receivables	1,179,524	114,327	1,179,524	114,327
Less: Allowance for expected credit losses	(38,318)	(38,318)	(38,318)	(38,318)
<b>Contract assets, net</b>	<b>1,141,206</b>	<b>76,009</b>	<b>1,141,206</b>	<b>76,009</b>
<b>Retention receivables</b>				
Retention receivables	143,944	94,349	143,944	94,349
Less: Allowance for expected credit losses	(48,036)	(48,036)	(48,036)	(48,036)
<b>Retention receivables, net</b>	<b>95,908</b>	<b>46,313</b>	<b>95,908</b>	<b>46,313</b>
<b>Contract liabilities</b>				
Service income received in advance	100,202	-	100,202	-
<b>Total contract liabilities</b>	<b>100,202</b>	<b>-</b>	<b>100,202</b>	<b>-</b>

As at 31 December 2023, the Company has the balances of unbilled receivables amounted to approximately Baht 1,141.2 million (2022: Baht 76.0 million) is expected to bill with customers within 1 year.

## 10.2 Revenue recognised in relation to contract balances

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue recognised from changes in variable considerations of performance obligations satisfied in previous years	-	691	-	691

## 10.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2023, revenue totaling Baht 4,863.1 million and USD 135.7 million or Baht 4,632.1 million is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (or partially unsatisfied) (2022: totaling USD 211.1 million or Baht 7,347.7 million) (the Company only: totaling Baht 4,863.1 million and totaling USD 135.7 million or Baht 4,632.1 million (2022: totaling USD 211.1 million or Baht 7,347.7 million)).

The Group expects to satisfy these performance obligations within 5 years (2022: 2 years) (the Company only: 5 years (2022: 2 years)).

## 11. Other financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Other current financial assets</u></b>				
<b>Debt instruments at fair value through profit or loss</b>				
Investment in fixed income open-ended funds	450,758	802,728	450,758	802,728
Total other current financial assets	<u>450,758</u>	<u>802,728</u>	<u>450,758</u>	<u>802,728</u>
<b><u>Other non-current financial assets</u></b>				
<b>Equity instruments designated at fair value through other comprehensive income</b>				
Equity instruments of listed companies	26,159	23,211	26,159	23,211
Total other non-current financial assets	<u>26,159</u>	<u>23,211</u>	<u>26,159</u>	<u>23,211</u>

## 12. Investments in a subsidiary

Detail of investments in a subsidiary as presented in the separate financial statements is as follow:

Company's name	Paid-up capital		Shareholding percentage		Cost	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
			(Percent)	(Percent)		
PSGC (Lao) Sole Company Limited	45,000	45,000	100	100	45,000	45,000
Total					45,000	45,000

(Unit: Thousand Baht)

On 23 February 2022, the Company's Board of Directors' Meeting No. 3/2022 passed a resolution approving the registration of PSGC (Lao) Sole Company Limited, which is engaged in a plant and building construction and other related services, as a juristic entity in the Lao People's Democratic Republic with a registered capital of LAK 16,000 million or Baht 45 million. The Company already paid for the shares on 11 May 2022.

## 13. Investment properties

A reconciliation of the net book value of investment properties for the years 2023 and 2022 is presented below.

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	66,876	66,876	66,876	66,876
Net gain (loss) from a fair value adjustment	-	-	-	-
Net book value at end of year*	66,876	66,876	66,876	66,876

(Unit: Thousand Baht)

\* Fair values of investment properties as at 31 December 2023 and 2022 were not significantly different. The Group, therefore, considered not to recognise changes in such fair values.

The investment properties of the Group is land not being used in operations.

Its fair value has been determined based on the valuation performed by an accredited independent valuer, using the market approach.

## 14. Property, plant and equipment

Movements of the property, plant and equipment account during the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Revaluation	Cost basis				
	basis	Buildings and building improvement	Machinery and equipment	Furniture and office equipment	Motor vehicles	Total
	Land					
<b>Cost/ Revalued amount:</b>						
1 January 2022	12,190	4,734	32,893	13,505	13,593	76,915
Additions	-	2,909	8,064	3,963	-	14,936
Disposals/write-off	-	-	(31,364)	(2,982)	(10,305)	(44,651)
Translation adjustment	-	-	-	(58)	-	(58)
31 December 2022	12,190	7,643	9,593	14,428	3,288	47,142
Additions	-	807	-	2,153	-	2,960
Disposals/write-off	-	-	-	(58)	-	(58)
Translation adjustment	-	(1)	-	(61)	-	(62)
31 December 2023	12,190	8,449	9,593	16,462	3,288	49,982
<b>Accumulated depreciation:</b>						
1 January 2022	-	2,953	29,147	11,783	12,823	56,706
Depreciation for the year	-	871	2,340	893	2	4,106
Depreciation on disposals/write-off	-	-	(27,710)	(2,929)	(10,041)	(40,680)
Translation adjustment	-	-	-	(2)	-	(2)
31 December 2022	-	3,824	3,777	9,745	2,784	20,130
Depreciation for the year	-	1,121	2,364	1,368	-	4,853
Depreciation on disposals/write-off	-	-	-	(58)	-	(58)
Translation adjustment	-	(2)	-	(7)	-	(9)
31 December 2023	-	4,943	6,141	11,048	2,784	24,916
<b>Allowance for impairment loss:</b>						
31 December 2022	-	-	-	-	108	108
31 December 2023	-	-	-	-	108	108
<b>Net book value:</b>						
31 December 2022	12,190	3,819	5,816	4,683	396	26,904
31 December 2023	12,190	3,506	3,452	5,414	396	24,958
<b>Depreciation for the year</b>						
2022 (Baht 2.5 million included in cost of construction contracts, and the balance in administrative expenses)						4,106
2023 (Baht 2.6 million included in cost of construction contracts, and the balance in administrative expenses)						4,853

	Separate financial statements					
	Revaluation	Cost basis				
	basis	Buildings and building improvement	Machinery and equipment	Furniture and office equipment	Motor vehicles	Total
	Land					
<b>Cost/ Revalued amount:</b>						
1 January 2022	12,190	4,734	32,893	13,505	13,593	76,915
Additions	-	2,257	8,063	2,708	-	13,028
Disposals/write-off	-	-	(31,364)	(2,982)	(10,305)	(44,651)
31 December 2022	12,190	6,991	9,592	13,231	3,288	45,292
Additions	-	-	-	810	-	810
Disposals/write-off	-	-	-	(58)	-	(58)
31 December 2023	12,190	6,991	9,592	13,983	3,288	46,044
<b>Accumulated depreciation:</b>						
1 January 2022	-	2,953	29,147	11,783	12,823	56,706
Depreciation for the year	-	870	2,340	806	2	4,018
Depreciation on disposals/write-off	-	-	(27,710)	(2,929)	(10,041)	(40,680)
31 December 2022	-	3,823	3,777	9,660	2,784	20,044
Depreciation for the year	-	992	2,364	1,045	-	4,401
Depreciation on disposals/write-off	-	-	-	(58)	-	(58)
31 December 2023	-	4,815	6,141	10,647	2,784	24,387
<b>Allowance for impairment loss:</b>						
31 December 2022	-	-	-	-	108	108
31 December 2023	-	-	-	-	108	108
<b>Net book value:</b>						
31 December 2022	12,190	3,168	5,815	3,571	396	25,140
31 December 2023	12,190	2,176	3,451	3,336	396	21,549
<b>Depreciation for the year</b>						
2022 (Baht 2.5 million included in cost of construction contracts, and the balance in administrative expenses)						4,018
2023 (Baht 2.6 million included in cost of construction contracts, and the balance in administrative expenses)						4,401

The Group arranged for an independent professional valuer to appraise the value of land in 2022.

The revaluation was based on market approach.



Had the land been carried in the financial statements on a historical cost basis, their net book value as of 31 December 2023 and 2022 would have been as follows.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	3,984	3,984	3,984	3,984

As at 31 December 2023, certain plant, equipment and vehicle items of the Group have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 16.1 million (2022: Baht 13.8 million) (the Company only: Baht 16.1 million (2022: Baht 13.8 million)).

As at 31 December 2022, the Company has pledged land and buildings in net book value approximately Baht 13.5 million, as collateral for the bail contract to suspend the execution under the judgment of the Appeal Court. On 1 September 2023, the Company already reclaimed the collateral described in Note 29.2 to the financial statements.

#### 15. Other non-current assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Advances for future projects	51,100	25,550	51,100	25,550
Guarantees and deposits	3,068	18,376	3,068	18,376
Withholding tax	99,550	52,358	99,550	52,358
Total	153,718	96,284	153,718	96,284

#### 16. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables - related parties (Note 6)	-	-	243,793	44,088
Trade payables - unrelated parties	451,195	82,430	62,210	9,330
Other payables - related parties (Note 6)	206	179	487	274
Other payables - unrelated parties	6,405	8,113	6,383	7,640
Accrued expenses	14,562	5,081	14,562	5,043
Total	472,368	95,803	327,435	66,375

## 17. Other short-term borrowing

Other short-term borrowing is a borrowing from the Company's former director without a written agreement and no collateral, and is repayable at call with the interest rate of minimum loan rate (MLR). Subsequently, on 23 March 2023, The Company already paid such other short-term borrowing.

## 18. Leases

### The Group as a lessee

The Group has lease contracts for used in its operations. Leases generally have lease terms between 3 - 4 years.

#### a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Building and improvement	Motor vehicles	Total
As at 1 January 2022	-	2,346	2,346
Additions	47,447	12,309	59,756
Depreciation for the year	(8,402)	(2,032)	(10,434)
Translation adjustment	-	(195)	(195)
As at 31 December 2022	39,045	12,428	51,473
Additions	1,155	5,064	6,219
Depreciation for the year	(12,080)	(3,629)	(15,709)
Translation adjustment	(64)	(142)	(206)
As at 31 December 2023	28,056	13,721	41,777

(Unit: Thousand Baht)

	Separate financial statements		
	Building and improvement	Motor vehicles	Total
As at 1 January 2022	-	2,346	2,346
Additions	47,447	-	47,447
Depreciation for the year	(8,402)	(761)	(9,163)
As at 31 December 2022	39,045	1,585	40,630
Depreciation for the year	(11,861)	(761)	(12,622)
As at 31 December 2023	27,184	824	28,008

**b) Lease liabilities**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Lease payments	39,006	50,293	29,520	42,088
Less: Deferred interest expenses	(3,078)	(5,135)	(2,033)	(4,026)
Total	35,928	45,158	27,487	38,062
Less: Portion due within one year	(15,602)	(13,232)	(11,225)	(10,575)
Lease liabilities - net of current portion	<u>20,326</u>	<u>31,926</u>	<u>16,262</u>	<u>27,487</u>

Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	45,158	2,409	38,062	2,409
Additions	6,219	55,289	-	42,980
Accretion of interest	2,887	2,368	1,993	1,825
Repayments	(18,018)	(14,795)	(12,568)	(9,152)
Translation adjustment	(318)	(113)	-	-
Balance at end of year	<u>35,928</u>	<u>45,158</u>	<u>27,487</u>	<u>38,062</u>

A maturity analysis of lease payments is disclosed in Note 31.1 to the consolidated financial statements under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	15,709	10,434	12,622	9,163
Interest expense on lease liabilities	2,887	2,368	1,993	1,825
Expense relating to short-term leases	243	356	1,138	956
Expense relating to leases of low-value assets	138	165	128	165

#### d) Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 18.3 million (2022: Baht 12.0 million) (the Company only: Baht 13.8 million (2022: Baht 10.2 million)) including the cash outflow related to short-term lease, leases of low-value assets.

#### 19. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Provision for long-term employee</b>				
<b>benefits at beginning of year</b>	6,490	5,488	6,273	5,488
Included in profit or loss:				
Current service cost	1,079	1,018	662	801
Interest cost	145	105	138	105
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Financial assumptions changes	-	(206)	-	(206)
Experience adjustments	-	85	-	85
Benefits paid during the year	<u>(1,565)</u>	<u>-</u>	<u>(1,565)</u>	<u>-</u>
<b>Provisions for long-term employee</b>				
<b>benefits at end of year</b>	<u>6,149</u>	<u>6,490</u>	<u>5,508</u>	<u>6,273</u>

The Group is not expected to pay long-term employee benefits during the next year (2022: Baht 1.7 million) (the Company only: Nil (2022: Baht 1.7 million)).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefits is 9 - 16 years (2022: 9 - 16 years) (the Company only: 9 years (2022: 9 years)).

Significant actuarial assumptions are summarised below.

(Unit: % per annum)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Discount rate	2.5 - 3.5	2.5 - 3.5	2.5	2.5
Salary increase rate	3.0	3.0	3.0	3.0
Turnover rate	2.9 - 34.4	2.9 - 34.4	10.2 - 34.4	10.2 - 34.4

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below:

(Unit: Million Baht)

As at 31 December 2023

	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(0.10)	0.45	(0.32)	0.36
Salary increase rate	0.53	(0.47)	0.43	(0.38)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Turnover rate	(0.98)	1.25	(0.90)	1.15

(Unit: Million Baht)

As at 31 December 2022

	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(0.35)	0.39	(0.32)	0.35
Salary increase rate	0.38	(0.35)	0.35	(0.32)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Turnover rate	(0.77)	0.97	(0.75)	0.94

## 20. Provident funds

The Company and its employees have jointly established provident funds in accordance with the Provident Fund Act B.E. 2530. The Company and its employees contribute to the funds monthly at the rates of 3 to 10 percent of basic salary and 3 to 15 percent of basic salary, respectively. The funds, which are managed by the provident fund SCBAM Master Fund, will be paid to employees upon termination in accordance with the fund rules. The contribution for the years 2023 were recognised as expenses amounting to Baht 3.0 million (2022: Baht 2.3 million).

## 21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve equal to at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered share capital. The statutory reserve is not available for dividend payment.

## 22. Share discount

Section 52 of the Public Limited Company Act B.E. 2535, requires if the company which has been in operation for not less than one year suffers a loss, it may offer its shares for sale at a price lower than the registered par value, provided; approval is granted at the meeting of shareholders, the fixed discount rate shall be definitely determined and specified in the prospectus.

## 23. Warrants

The Annual General Meeting of Shareholders held on 25 April 2013, had the resolution to approve the issuance of Warrants No. 1 (TIES-WA) in the number of 22,000,000 units to the management and employees and the Extraordinary General Meeting of Shareholders held on 17 November 2014 has a resolution to approve the allotment and offering of newly issued ordinary shares of the Company to the existing shareholders of the Company in proportion to their respective shareholdings (Right Offering) and adjustment of right which specified that the Company is obliged to adjust the exercise price and exercise ratio.

Holders of warrants are able to exercise the warrants to ordinary shares on the last business day of March, June, September and December throughout the term of the warrants. The unexercised warrants as at 14 May 2018 which was the last exercised date were 8,140,000 units and the Company transferred expired share capital from share-based payment of Baht 7.86 million to be a separate item in the statement of changes in shareholders' equity.

## 24. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Subcontractor cost	835,794	320,261	953,310	360,979
Salaries and wages and other employee benefits	102,755	85,104	94,271	78,669
Depreciation and amortisation expenses	19,517	15,393	17,625	14,032
Professional fee and consultant expenses	98,171	11,709	97,769	11,709
Loss on litigations	177	7,370	177	7,370

## 25. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Current income tax:</b>				
Current income tax charge	335,420	22,472	306,669	19,803
Adjustment in respect of income tax of previous year	12	-	-	-
<b>Deferred tax:</b>				
Deferred tax relating to origination and reversal of temporary differences	3,347	(3,408)	1,204	(3,365)
<b>Income tax expense reported in profit or loss</b>	<b>338,779</b>	<b>19,064</b>	<b>307,873</b>	<b>16,438</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax relating to				
Gain (loss) on changes in value of equity investments designated at fair value through other comprehensive income	590	(2,153)	590	(2,153)
Actuarial gain	-	444	-	444
<b>Total</b>	<b>590</b>	<b>(1,709)</b>	<b>590</b>	<b>(1,709)</b>

The reconciliation between accounting profit and income tax expenses is shown below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accounting profit before tax	1,655,195	559,520	1,537,254	539,509
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	338,791	114,242	307,451	107,902
Adjustment in respect of income tax of previous year	12	-	-	-
Previously unrecognised tax losses that is used to reduce current tax expense	-	(88,105)	-	(88,105)
Recognised deferred tax assets of previous year	-	(2,661)	-	(2,661)
Effects of:				
Non-deductible expenses	673	618	450	322
Exemption of income	(669)	(4,010)	-	-
Additional expense deductions allowed	(28)	(568)	(28)	(568)
Other	-	(452)	-	(452)
Total	(24)	(4,412)	422	(698)
Income tax expenses reported in profit or loss	338,779	19,064	307,873	16,438

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Deferred tax assets</b>				
Allowance for asset impairment	22	22	22	22
Provision for long-term employee benefits	1,230	1,298	1,102	1,254
Unrealised fair value loss on investments	83	1,607	83	1,607
Other current provisions	1,200	160	1,200	160
Provision for decommissioning	480	399	480	399
Provisions for loss on litigations	-	1,428	-	1,428
Lease liabilities	393	204	393	204
Total	3,408	5,118	3,280	5,074



(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Deferred tax liabilities</b>				
Revaluation surplus of assets	(5,024)	(5,024)	(5,024)	(5,024)
Undued tax remitted	(2,227)	-	-	-
Total	<u>(7,251)</u>	<u>(5,024)</u>	<u>(5,024)</u>	<u>(5,024)</u>
<b>Deferred tax assets (liabilities) - net</b>	<u>(3,843)</u>	<u>94</u>	<u>(1,744)</u>	<u>50</u>

## 26. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

	For the year ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Profit for the year (Thousand Baht)	1,316,416	540,456	1,229,381	523,072
Weighted average number of ordinary shares (Thousand shares)	64,992,438	64,992,438	64,992,438	64,992,438
Basic earnings per share (Baht per share)	0.0203	0.0083	0.0189	0.0080

## 27. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Chief Executive Officer.

The Group is principally engaged in one operating segment which is a plant and building construction, and the two geographic areas in which these activities are carried on are Thailand and the Lao People's Democratic Republic.

Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. As a result, all of the revenues, operating profit or loss and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment.

## Geographic information

	(Unit: Million Baht)	
	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
Revenue from external customers		
Thailand	-	6
Lao People's Democratic Republic	2,735	1,024
<b>Total</b>	<b>2,735</b>	<b>1,030</b>

	(Unit: Million Baht)	
	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
Non-current assets*		
Thailand	270	230
Lao People's Democratic Republic	17	12
<b>Total</b>	<b>287</b>	<b>242</b>

\*Other than financial instruments and deferred tax assets.

### Major customers

For the year 2023, the Group has revenue from one major customer in amount of Baht 2,597.7 million, arising from construction contracts (2022: Baht 1,024.4 million, arising from construction contracts with one major customer).

## 28. Commitments and contingent liabilities

### 28.1 Lease commitments

As at 31 December 2023, future minimum lease payments of the Group required under short-term leases and leases of low-value assets contracts are totaling Baht 0.2 million (the Company only: Baht 0.6 million) (2022: Baht 0.3 million (the Company only: Baht 0.7 million)).

### 28.2 Service commitments

As at 31 December 2023, the Group has the following service commitments:

- (1) The Group has commitments totaling Baht 556.7 million and USD 29.9 million or Baht 1,031.5 million (the Company only: Baht 624.7 million and USD 33.9 million or Baht 1,167.4 million) (2022: USD 12.8 million or Baht 447 million (the Company only: USD 17.3 million or Baht 602 million)) in respect of cost of construction contracts, for which the Group had already entered into agreements.

- (2) The Company has commitments totaling Baht 2.6 million and USD 0.5 million or Baht 17.2 million (2022: USD 0.5 million or Baht 17.4 million), in respect of consulting fees for a feasibility study on project development, which the Company had already entered into agreements.
- (3) The Company has commitments totaling Baht 60.2 million and USD 0.03 million or Baht 0.7 million in respect of other service contracts related to the Company's operations.

### **28.3 Guarantees and others**

- 1) As at 31 December 2023, the Company had outstanding bank guarantees of approximately Baht 13.5 million (2022: Baht 13.5 million) issued by banks as required in the normal course of business.
- 2) During the year 2018, the Company submitted a bid for construction with a local company and was selected as a winning bidder. However, the Company was unable to enter into a construction contract with the local company within a specified date. Subsequently, such local company announced changes to a list of winning bidders, and the construction was already completed in May 2020. Subsequently, the Company received a letter from the Comptroller General's Department, the Ministry of Finance, informing that the Company was on a list of contractors abandoning work. The Company submitted an appeal against the decision on 25 February 2022. The Comptroller General's Department, the Ministry of Finance, provided a written letter dismissing the Company's appeal on 17 May 2022. However, the Company's management believed that there is no material impact to the financial statements.

## **29. Litigation**

- 29.1** On 24 July 2012, the Company sued a company (the "Contractor") for breach of the construction contract with computable monetary value claims of Baht 100.2 million and such company sued a counterclaim against the Company in the same lawsuit with computable monetary value claims of Baht 281.02 million. However, as the Company has disclosed information to the Electronic Listed Companies Information Disclosure (ELCID), the Supreme Court made the final judgment. The Contractor had to pay a net compensation of Baht 65.0 million to the Company plus interest 7.5 percent per annum from the date of prosecution until complete payment, and the Contractor had to return a total of 4 copies of letters of guarantee (contract collateral) and letters for advance guarantee to the Company. Currently, the case is in the process of execution by enforcement officers.

**29.2** The Company had been involved in a lawsuit arising out of breach of contract in connection with borrowings, of which the amount in dispute was Baht 17.6 million. The case was under the Supreme Court consideration. The Company provided land and buildings belonging to the Company (Note 14) and Baht 15.3 million in cash as security for stay of execution under the Appeal Court's judgment.

On 15 March 2023, the Supreme Court issued an order rejecting the Company's request for the Company's further appeal, ruling that the case had reached its final conclusion. As per the Court of Appeal's judgement, the Company was required to pay compensation of Baht 19.6 million to a plaintiff. Since the Company had already recorded a provision for losses arising from the litigation amounting to Baht 7.1 million and the liabilities in its accounts amounting to Baht 12.2 million, the Company recorded additional expenses related to losses arising from the litigation amounting to Baht 0.3 million in profit or loss for the first quarter of the current year. The Company already paid compensation to the plaintiff on 23 March 2023 and reclaimed the security on 1 September 2023.

### 30. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated / Separate financial statements			
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
Investment in fixed income				
open-end funds	-	450,758	-	450,758
Financial assets measured at FVOCI				
Equity instruments of listed				
companies	26,159	-	-	26,159
Land	-	12,190	-	12,190
Investment property	-	66,876	-	66,876

(Unit: Thousand Baht)

	Consolidated / Separate financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
Investment in fixed income				
open-end funds	-	802,728	-	802,728
Financial assets measured at FVOCI				
Equity instruments of listed				
companies	23,211	-	-	23,211
Land	-	12,190	-	12,190
Investment property	-	66,876	-	66,876

## 32. Financial instruments

### 32.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, other current financial assets, other non-current financial assets, trade and other payables, other short-term borrowing and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

The Group is exposed to credit risk primarily with respect to trade and other receivables, contract assets and cash and cash equivalents. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

#### ***Trade receivables and contract assets***

The Group manages the credit risk relates to trade receivables and contract assets by most of the Group's construction contracts are with large private companies that are creditworthy and have low credit risk. The Group considers other receivables to be transactions with companies that have low credit risk and the ability to service debt. In addition, the Group regularly monitors their debt service capability; therefore, the Group does not expect to incur any significant losses in respect of these allowance for expected credit losses.

#### ***Bank deposits and investments in fixed income open-ended fund***

The Group manages the credit risk of bank deposits and investments in fixed income open-ended fund by entering into agreements with counterparties that are banks and financial institutions with high credit ratings assigned by international credit-rating agencies.

## Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk as follows.

### Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from construction contracts and sub-contractor cost that are denominated in foreign currencies.

The balances of financial assets and liabilities of the Group denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	61.8	23.0	21.1	4.4	34.2233	34.5624

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	46.9	19.8	8.8	1.7	34.2233	34.5624

### Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rate, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities as at 31 December 2023 and 2022.

Currency	Consolidated financial statements				Separate financial statements		
	Change in	Effect on profit before tax		Change in	Effect on profit before tax		
	FX rate			FX rate			
	(%)	<u>2023</u>	<u>2022</u>	(%)	<u>2023</u>	<u>2022</u>	
		(Thousand Baht)	(Thousand Baht)		(Thousand Baht)	(Thousand Baht)	
US dollar	+5	90,237	29,414	+5	64,805	28,547	
	- 5	(90,237)	(29,414)	- 5	(64,805)	(28,547)	

This information is not a forecast or prediction of future market conditions and should be used with care.

### **Interest rate risk**

The Group's exposure to interest rate risk relates primarily to its cash at banks, other financial assets, restricted bank deposits, other short-term borrowing and lease liabilities. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2023							
Fixed interest rates							
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate	
							(% per annum)
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	964	334	1,298	0.15 - 1.03
Trade and other receivables	-	-	-	-	615	615	-
Restricted bank deposits	-	16	-	-	-	16	0.50 - 1.02
Other financial assets	-	-	-	-	477	477	-
Retention receivables	-	-	-	-	96	96	-
	-	16	-	964	1,522	2,502	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	472	472	-
Lease liabilities	16	20	-	-	-	36	5.99 - 12.00
Retention payables	-	-	-	-	36	36	-
	16	20	-	-	508	544	

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2023							
Fixed interest rates							
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)	
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	964	43	1,007	0.15 - 0.60
Trade and other receivables	-	-	-	-	614	614	-
Restricted bank deposits	-	16	-	-	-	16	0.50 - 1.02
Other financial assets	-	-	-	-	477	477	-
Retention receivables	-	-	-	-	96	96	-
	-	16	-	964	1,230	2,210	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	327	327	-
Lease liabilities	11	16	-	-	-	27	5.99
Retention payables	-	-	-	-	45	45	-
	11	16	-	-	372	399	

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2022							
Fixed interest rates							
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)	
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	527	89	616	0.15 - 0.53
Trade and other receivables	-	-	-	-	78	78	-
Restricted bank deposits	-	16	-	-	-	16	0.35 - 0.53
Other financial assets	-	-	-	-	826	826	-
Retention receivables	-	-	-	-	46	46	-
	-	16	-	527	1,039	1,582	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	96	96	-
Other short-term borrowing	-	-	-	12	-	12	MLR
Lease liabilities	13	32	-	-	-	45	5.99 - 12.00
Retention payables	-	-	-	-	23	23	-
	13	32	-	12	119	176	



(Unit: Million Baht)

Separate financial statements							
As at 31 December 2022							
Fixed interest rates							
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)	
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	527	1	528	0.15 - 0.53
Trade and other receivables	-	-	-	-	74	74	-
Restricted bank deposits	-	16	-	-	-	16	0.35 - 0.53
Other financial assets	-	-	-	-	826	826	-
Retention receivables	-	-	-	-	46	46	-
	-	16	-	527	947	1,490	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	66	66	-
Other short-term borrowing	-	-	-	12	-	12	MLR
Lease liabilities	11	27	-	-	-	38	5.99
Retention payables	-	-	-	-	26	26	-
	11	27	-	12	92	142	

### *Analysis of interest rate sensitivity*

The Group considers that the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate loans from affected as at 31 December 2023 and 2022 is not material.

### **Liquidity risk**

The Group gives high priority to liquidity management by holding appropriate levels of cash and cash equivalents along with other liquid assets and arranging sufficient credit facilities with financial institutions. In addition, the Group has access to a wide range of funding sources. The Group regularly monitors the adequacy of liquidity and adjusts its liquidity management strategy on a timely basis.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2023 and 2022 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2023				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Non-derivatives</b>					
Trade and other payables	-	472,367	-	-	472,367
Lease liabilities	-	17,686	21,320	-	39,006
Retention payables	8,002	-	28,182	-	36,184
<b>Total non-derivatives</b>	<b>8,002</b>	<b>490,053</b>	<b>49,502</b>	<b>-</b>	<b>547,557</b>

(Unit: Thousand Baht)

	Separate financial statements				
	As at 31 December 2023				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Non-derivatives</b>					
Trade and other payables	-	327,435	-	-	327,435
Lease liabilities	-	12,568	16,952	-	29,520
Retention payables	8,002	-	36,742	-	44,744
<b>Total non-derivatives</b>	<b>8,002</b>	<b>340,003</b>	<b>53,694</b>	<b>-</b>	<b>401,699</b>

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2022				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Non-derivatives</b>					
Trade and other payables	-	95,803	-	-	95,803
Other short-term borrowing	19,375	-	-	-	19,375
Lease liabilities	-	15,923	34,370	-	50,293
Retention payables	12,110	-	10,771	-	22,881
<b>Total non-derivatives</b>	<b>31,485</b>	<b>111,726</b>	<b>45,141</b>	<b>-</b>	<b>188,352</b>

(Unit: Thousand Baht)

	Separate financial statements				
	As at 31 December 2022				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Non-derivatives</b>					
Trade and other payables	-	66,375	-	-	66,375
Other short-term borrowing	19,375	-	-	-	19,375
Lease liabilities	-	12,568	29,520	-	42,088
Retention payables	12,110	-	13,968	-	26,078
<b>Total non-derivatives</b>	<b>31,485</b>	<b>78,943</b>	<b>43,488</b>	<b>-</b>	<b>153,916</b>

### 31.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair values are not expected to be materially different from the amounts presented in the statement of financial position.

### 32. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

As at 31 December 2023, the Group's debt-to-equity ratio was 0.29:1 (2022: 0.14:1) and the Company's was 0.24:1 (2022: 0.12:1).

### 33. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2024.

# Part 4

## Certification of Information



# Certification of Information

The Company has reviewed the information on this 2023 annual registration statement/annual report (Form 56-1 One Report) with care and hereby certifies that the information is accurate, complete, not false or misleading, and does not lack material information that should be notified. In addition, the Company certifies that:

- (1) The financial statements and financial information summarized in this annual registration statement/annual report 2023 (56-1 One Report) show material information accurately and completely regarding the financial condition, the operating results and the cash flows of the Company and its subsidiaries.
- (2) The Company has provided an efficient disclosure system to ensure that the material information of the Company and the subsidiaries is disclosed accurately and completely and has supervised compliance with such disclosure system.
- (3) The Company has provided an efficient internal control system, supervised compliance with the system, and submitted the information on the internal control assessment on February 27, 2024 to the auditor and the Audit Committee, which covers deficiencies, significant changes on the internal control system, and wrongful acts that may affect the preparation of financial reporting of the Company and its subsidiaries.

In this regard, as proof that all the documents are identical to those certified by the Company, the Company has authorized Ms. Pathamakorn Buranasin to sign on every page of the documents, and the absence of the authorized signature of Ms. Pathamakorn Buranasin on any document shall be deemed that such unsigned document has not been certified by the Company.

<b>Name</b>	<b>Title</b>	<b>Signature</b>
-------------	--------------	------------------

1. Mr. Van Hoang Dau	Chairman and Authorized Director	.....
----------------------	----------------------------------	-------

2. Mr. David Van Dau	Chief Executive Officer and Authorized Director	.....
----------------------	--	-------

Authorized signature

<b>Name</b>	<b>Title</b>	<b>Signature</b>
-------------	--------------	------------------

1. Ms. Pathamakorn Buranasin	Chief of CEO Office	.....
------------------------------	---------------------	-------

**Appendix**

**1**

**Details of the Board of Directors and Executives**



# Profiles of Directors



## Mr. Van Hoang Dau

Chairman of the Board of Directors

Authorized director

Age 64 years

### Date of appointment

October 27, 2021

### Shareholding proportion (%) (as of March 2024)

- None -

### Family relationship between the director and the management

Father of Mr. David Van Dau

### Qualified according to the law on public limited companies and does not have prohibited characteristics

- Qualified -

### Current position in other business which may have a conflict of interest with the Company

- None -

### Education

- General Atlanta Technical School, GA, USA

### Training

- None -

### Work Experience (5 - Year Past Experience)

#### Position in Other Listed Company

- 2016 - 2020 Director  
CK Power Public Company Limited

#### Position in Other Non-listed Company

- 2012 - present Director  
Lao Coca-Cola Bottling Company Limited
- 2010 - 2020 Director  
Xayaburi Power Company Limited
- 2008 - 2020 Director  
Nam Ngum 2 Hydroelectric Power Company Limited
- 2008 - 2020 Director  
Southeast Asia Energy Company Limited



## Mr. David Van Dau

Director

Member of Risk Management Committee

Member of Nomination and Remuneration Committee

Chairman of Executive Committee

Chief Executive Officer

Authorized Director

Age 40 years

### Date of appointment

October 27, 2021

### Shareholding proportion (%) (as of March 2024)

- None -

### Family relationship between the director and the management

Son of Mr. Van Hoang Dau

### Qualified according to the law on public limited companies and does not have prohibited characteristics

- Qualified -

### Current position in other business which may have a conflict of interest with the Company

- None -

### Education

- Bachelor of Economics, Emory University Atlanta, GA, USA.

### Training

- Director Accreditation Program Class 173/2020 (DAP) (English Program), Thai Institute of Directors (IOD)

### Work Experience (5 - Year Past Experience)

#### Position in Other Listed Company

- 2020 - present Director  
CK Power Public Company Limited

#### Position in Other Non-listed Company

- 2020 - present Director, Executive Committee  
Nam Ngum 2 Power Company Limited
- 2020 - present Director, Executive Committee  
SouthEast Asia Energy Company Limited
- 2018 - present Director  
Luang Prabang Power Company Limited
- 2015 - present Director  
Lao Coca-Cola Bottling Company Limited
- 2010 - present Chief Executive Officer  
PT Sole Company Limited
- 2020 – Jul 2021 Director, Executive Committee  
Xayaburi Power Company Limited





## Pol. Gen. Chaiwat Getvorachai, Ph.D.

Independent Director

Chairman of Audit Committee

Age 64 years

### Date of appointment

October 27, 2021

### Shareholding proportion (%) (as of March 2024)

0.03%

### Family relationship between the director and the management

- None -

### Qualified according to the law on public limited companies and does not have prohibited characteristics

- Qualified -

### Current position in other business which may have a conflict of interest with the Company

- None -

### Education

- **Doctoral degree**  
Ph.D. in Criminal Justice Administration and Society,  
Suan Dusit Rajabhat University
- **Master's degree**  
Master of Arts (Political Science#2), Ramkhamhaeng University
- **Bachelor's degree**  
Bachelor of Public Administration, Royal Police Cadet Academy

### Training

- Director Certification Program (DCP) Class 117/2009, Thai Institute of Directors (IOD)

### Work Experience (5 - Year Past Experience)

#### Position in Other Listed Company

- Jan. 2022 - Present Chairman of the Nomination and Remuneration Committee  
Millennium Group Corporation (Asia)  
Public Company Limited
- Dec. 2021 - Present Independent Director  
Millennium Group Corporation (Asia)  
Public Company Limited

#### Position in Other Non-listed Company

- Nov. 2023 - Present Chairman of Subcommittee to Determine the Criteria for and Assessment of the TAT Governor's Performance  
Tourism Authority of Thailand (TAT)
- Sep. 2022 - Present Advisor  
DTGO Corporation Limited
- Jul. 2017 - Present Qualified Director  
Broadcasting and Telecommunications  
Research and Development Fund  
for Public Interest
- 2018 - 2020 Deputy Chief of Police  
Royal Thai Police
- 2016 - 2018 Assistant Commissioner General  
Royal Thai Police
- 2015 - 2016 Commissioner of Provincial Police 1  
Royal Thai Police



**Khammany Inthirath, Ph.D.**

Independent Director  
 Chairman of Risk Management Committee  
 Member of Audit Committee  
 Age 68 years

**Date of appointment**

October 27, 2021

**Shareholding proportion (%) (as of March 2024)**

- None -

**Family relationship between the director and the management**

- None -

**Qualified according to the law on public limited companies and does not have prohibited characteristics**

- Qualified -

**Current position in other business which may have a conflict of interest with the Company**

- None -

**Education**

- **Doctoral degree**  
 Doctor of Development Economics (Investment Economics),  
 National Economics University of the Socialist Republic of  
 Vietnam
- **Master’s degree**  
 Master of Electrical Engineering, Krasnodar University, USSR

**Training**

- None -

**Work Experience (5 – Year Past Experience)**

**Position in Other Listed Company**

- None -

**Position in Other Non-listed Company**

- 2015 – 2021                      Minister of Energy and Mines  
 Lao People’s Democratic Republic
- 2011 – 2015                      Vice Minister of Energy and Mines  
 Lao People’s Democratic Republic
- 2009 – 2011                      Managing Director  
 EDL-Generation Public Company
- 2007 – 2009                      Acting Managing Director  
 EDL-Generation Public Company



## Souphanh Keomixay, Ph.D.

Independent Director

Chairman of Nomination and Remuneration Committee

Age 72 years

### Date of appointment

October 27, 2021

### Shareholding proportion (%) (as of March 2024)

- None -

### Family relationship between the director and the management

- None -

### Qualified according to the law on public limited companies and does not have prohibited characteristics

- Qualified -

### Current position in other business which may have a conflict of interest with the Company

- None -

### Education

- **Doctoral degree**  
Ph.D. in Economics, Social-Science Academy of Moscow, USSR
- **Master's degree**  
Master's in Economics, University of Donetsk, USSR

### Training

- None -

### Work Experience (5 - Year Past Experience)

Position in Other Listed Company

- None -

Position in Other Non-listed Company

- 2016 – 2020      Minister of Planning and Investment  
Lao People's Democratic Republic
- 2010 – 2016      Governor of Savanna khet  
Lao People's Democratic Republic
- 2005 – 2010      Vice Governor of Savanna khet  
Lao People's Democratic Republic



## Mr. Prapas Vichakul

Independent Director

Member of Audit Committee

Age 68 years

### Date of appointment

October 27, 2021

### Shareholding proportion (%) (as of March 2024)

- None -

### Family relationship between the director and the management

- None -

### Qualified according to the law on public limited companies and does not have prohibited characteristics

- Qualified -

### Current position in other business which may have a conflict of interest with the Company

- None -

### Education

- **Master's degree**  
M. Sc. (Geology), New Mexico Institute of Mining and Technology, New Mexico, USA
- **Bachelor's degree**  
B.Sc. (Geology), Chulalongkorn University

### Training

- Director Certification Program (DCP) Class 186/2014, Thai Institute of Directors (IOD)

### Work Experience (5 - Year Past Experience)

#### Position in Other Listed Company

- 2018 - present      Independent Director  
Sahakol Equipment PCL (SQ)

#### Position in Other Non-listed Company

- None -



## Mr. Nopadol Intralib

Independent Director

Member of Nomination and Remuneration Committee

Member of Risk Management Committee

Age 75 years

### Date of appointment

November 9, 2021

### Shareholding proportion (%) (as of March 2024)

0.05%

### Family relationship between the director and the management

- None -

### Qualified according to the law on public limited companies and does not have prohibited characteristics

- Qualified -

### Current position in other business which may have a conflict of interest with the Company

- None -

### Education

- Barrister-at-Law, Gray's Inn, London, England
- Barrister-at-Law, Thai Bar Association
- **Bachelor's degree**  
Faculty of Law, Chulalongkorn University (First-Class Honors)

### Training

- None -

### Work Experience (5 - Year Past Experience)

#### Position in Other Listed Company

- None -

#### Position in Other Non-listed Company

- 2003 - present Lawyer/ Managing Director/ Partner  
The Legists Group Ltd.
- 1989 - present Interpreter and Translator Specialist  
Court of Justice
- Present Director  
Schmidt Electronics (Thailand) Company Limited  
Schmidt Biomedtech (Thailand) Company Limited  
Potters (Thailand) Company Limited  
SMKT (Thailand) Company Limited  
Aeroservices (Thailand) Company Limited  
Emhart Teknologies (Thailand) Company Limited  
Black and Decker (Thailand) Company Limited  
Jivanand Anti-Aging Limited





## Mr. Dhana Bubphavanich

Director

Member of Executive Committee

Age 56 years

### Date of appointment

October 27, 2021

### Shareholding proportion (%) (as of March 2024)

- None -

### Family relationship between the director and the management

- None -

### Qualified according to the law on public limited companies and does not have prohibited characteristics

- Qualified -

### Current position in other business which may have a conflict of interest with the Company

- None -

### Education

- **Master's degree**  
Master of Science (MS), Finance, Pace University, USA
- **Bachelor's degree**  
Bachelor of Business Administration in Accounting and Finance, Thammasat University

### Training

- Director Accreditation Program (DAP) 87/2011, Thai Institute of Directors Association (IOD)

### Work Experience (5 - Year Past Experience)

#### Position in Other Listed Company

- 2015 - present Independent Director and Audit Committee  
Sernsang Power Corporation Public  
Company Limited
- 2022 - present Independent Director and Audit Committee  
Member of Nomination and Remuneration  
Committee  
Sernsang Power Corporation Public  
Company Limited
- 2017 - 2018 Executive Vice President (Finance)  
Kulthorn Kirby Public Company Limited
- 2018 Director  
Kulthorn Kirby Public Company Limited

#### Position in Other Non-listed Company

- 2022 - present Senior Vice President (Finance)  
Thai Namthip Corporation Company Limited
- 2018 - present Senior Vice President (Finance)  
Thai Namthip Company Limited
- 2011 - 2022 Director, Master Car Rental Company Limited
- 2015 - 2022 Director, The Whitespace Company Limited
- 2017 - 2018 Director  
Kulthorn Premier Company Limited  
Kulthorn Kirby Foundry Company Limited  
Kulthorn Steel Company Limited  
Kulthorn Materials and Controls Company  
Limited  
Kulthorn Metal Products Company Limited  
Kulthorn Research and Development  
Company Limited
- 2016 - 2017 Director, Bevpro Asia Company Limited



## Chaiyod Chirabowornkul, Ph.D.

Director

Member of Executive Committee

Age 56 years

### Date of appointment

October 27, 2021

### Shareholding proportion (%) (as of March 2024)

0.33%

### Family relationship between the director and the management

- None -

### Qualified according to the law on public limited companies and does not have prohibited characteristics

- Qualified -

### Current position in other business which may have a conflict of interest with the Company

- None -

### Education

- **Doctoral degree**  
PhD. in Business Administration, Kasetsart University
- **Master's degree**
  - MS.in Engineering Management, University of Missouri-Rolla (Missouri, USA)
  - Ms. in Electrical Engineering, Louisiana State University (Louisiana, USA)
- **Bachelor's degree**  
BE. in Electrical Engineering, Chulalongkorn University

### Training

- Director Certification Program (DCP) class 2013, Thai Institute of Directors (IOD)
- National Defence Course, 2018, National Defence College
- Capital Market Academy, class 20, 2015

### Work Experience (5 - Year Past Experience)

#### Position in Other Listed Company

- 2011 – 2015                      Chief Customer Officer  
Total Access Communication Public Company Limited
- 2007 - 2015                      Member of Executive Committee  
Total Access Communication Public Company Limited

#### Position in Other Non-listed Company

- 2015 - present                      Director  
The Whitespace Company Limited
- 2015 - 2021                      Chief Executive Officer  
The Whitespace Company Limited



# Executives



## Miss Somruedee Halilamien

Chief Financial Officer

Member of Executive Committee

Age 53 years

### Date of appointment

October 27, 2021

### Shareholding proportion (%) (as of March 2024)

- None -

### Family relationship between the director and the management

- None -

### Qualified according to the law on public limited companies and does not have prohibited characteristics

- Qualified -

### Current position in other business which may have a conflict of interest with the Company

- None -

### Education

- **Master's degree**  
Ms. Finance, the University of Colorado, USA
- **Bachelor's degree**  
B.Sc. in Statistics, the Faculty of Commerce and Accountancy, Chulalongkorn University

### Training

- Company Secretary Program (CSP) # gen 125/2022
- CFO Refresher 2022

- Financial Advisor License
- Passing CFA Level 1 Examination
- Introduction to Sustainable Finance, TLCA CFO Professional Development Program (TLCA CFO CPD) 7/2022
- Risk Management for CFOs, TLCA CFO Professional Development Program (TLCA CFO CPD) 2/2023
- Fintech, TLCA CFO Professional Development Program (TLCA CFO CPD) 3/2023
- Green Assets: Opportunities for Sustainable Development, TLCA CFO Professional Development Program (TLCA CFO CPD) 4/2023
- IR in Action 3/2023 by maiA
- Subsidiary Governance Program (SGP) 7/2024

### Work Experience (5 - Year Past Experience)

#### Position in Other Listed Company

- 2018 - 2019 SVP, Finance & Accounting  
Pruksa Real Estate Public Company Limited

#### Position in Other Non-listed Company

- 2018 - 2019 Director  
Vimut Hospital Company Limited
- 2016 - 2017 Head of Corporate Finance and Business Development (SEA)  
Ek-Chai Distribution System Company Limited



## Mr. Kunakorn Bunyanon

Chief Engineer

Age 46 years

### Date of appointment

February 16, 2023

### Shareholding proportion (%) (as of March 2024)

- None -

### Family relationship between the director and the management

- None -

### Qualified according to the law on public limited companies and does not have prohibited characteristics

- Qualified -

### Current position in other business which may have a conflict of interest with the Company

- None -

### Education

- **Master's degree**

Mater of Engineering science in Project Management (Specializing in Construction Management), University of New South Wales, Australia

- **Bachelor's degree**

Bachelor of Civil Engineer (International Program), Thammasat University, Sirindhorn International Institute of Technology (SIIT)

### Training

- None -

### Work Experience (5 - Year Past Experience)

#### Position in Other Listed Company

- 2020 - 2022 VP- Business Development  
Electricity Generating Public Company Limited (EGCO)
- 2005 - 2021 VP- Project Management / VP-Engineering,  
Electricity Generating Public Company Limited (EGCO)

#### Position in Other Non-listed Company

- 1998 - 2004 Senior Engineer Level 7  
Electricity Generating Authority of Thailand (EGAT)



## Miss Pathamakorn Buranasin

Chief of CEO Office

Company Secretary

Age 43 years

### Date of appointment

November 19, 2021

### Shareholding proportion (%) (as of March 2024)

0.04%

### Family relationship between the director and the management

- None -

### Qualified according to the law on public limited companies and does not have prohibited characteristics

- Qualified -

### Current position in other business which may have a conflict of interest with the Company

- None -

### Education

- **Master's degree**  
Master of Law (LLM) in International and Comparative law,  
The George Washington University, U.S.A.
- **Bachelor's degree**  
Bachelor of Law (Second Class Honors), Chulalongkorn University

### Training

- Institute of Legal Education of the Thai Bar
- Director Certification Program (DCP) # 220/2559, Thai Institute of Directors (IOD)
- Ultra Wealth Program #Gen 2 by Ultra Wealth Co., Ltd.
- Digital Transformation for CEO # Gen 2 by Nation Group

### Work Experience (5 - Year Past Experience)

#### Position in Other Listed Company

- 2015 - Nov 2021 Director, Member of Executive Director
- Mar 2021 - Nov 2021 Managing Director
- 2015 - Mar 2021 Deputy Managing Director (Central Administration Division)
- 2016 - Nov 2021 Company Secretary  
T Engineering Corporation Public Company Limited (The current name is "PSG Corporation (Public) Company Limited")

#### Position in Other Non-listed Company

- 2017 - 2018 Director  
T Asset Management Company Limited

# Management Resignation During the Year

## Mr.Nattapong Pangsupa

Chief Operating Officer

Age 40 years

### Date of appointment

July 1, 2022 (Resigned on Apr 30, 2023)

### Shareholding proportion (%) (as of March 2024)

- None -

### Family relationship between the director and the management

- None -

### Qualified according to the law on public limited companies and does not have prohibited characteristics

- Qualified -

### Current position in other business which may have a conflict of interest with the Company

- None -

### Education

- **Master's degree**

Master of Science Program in Information Technology Management (ITM), National Institute of Development Administration (NIDA)

- **Bachelor's degree**

Bachelor of Business Administration Program, majoring in Business Computer, Naresuan University

### Training

- Climate & Sustainability Program, BCG Leadership Institute
- Risk Management and Internal Control Program, Thai Listed Companies Association

### Work Experience (5 - Year Past Experience)

#### Position in Other Listed Company

- None -

#### Position in Other Non-listed Company

- 2563 - 2565 FAVP Audit Strategy and Development, Krungsri Consumer Company Limited
- 2560 - 2563 Manager New Business Management Thai Namthip Company Limited

# Profile of the person assigned to take direct responsibility for accounting supervision.

## Miss Sukol Homsuwan

Director of Accounting and Finance

Age 51 years

### Date of appointment

January 10, 2022

### Date of appointment to take direct responsibility for accountingsupervision

July 8, 2022

### Shareholding proportion (%) as of March 2023

- None -

### Family relationship between the director and the management

- None -

### Qualified according to the law on public limited companies and does not have prohibited characteristics

- Qualified -

### Current position in other business which may have a conflict of interest with the Company

- None -

### Education

- **Master's degree**  
Master of Business Administrative, Assumption University
- **Bachelor's degree**  
Bachelor of Accounting, University of the Thai Chamber of Commerce

### Training

- TFRS 9 Workshop Hedge Accounting
- TFRS 13 Fair Value Measurement
- Alternative methods of Capital Fundraising :Digital Tokens and Venture Capital
- IFRS S1 and IFRS S2 Disclosure of Sustainability-related and Climate-related
- Director Accreditation Program (DAP89/2011)
- Company Secretary Program (CSP115/2021)
- Certified Public Accountant (CPA)
- Financial Advisor License (FA)

### Work Experience (5 - Year Past Experience)

#### Position in Other Listed Company

- 2020 - 2021 Chief Operating Officer  
TQR Public Company Limited

#### Position in Other Non-listed Company

- 2010 - 2020 Finance and Accounting Director  
Jardine Lloyd Thompson Company Limited

**Appendix**

# 2

**The Details of the Company's Directors in its Subsidiary**



## Appendix 2

### The Details of the Company's Directors in its Subsidiary

As of December 31, 2023, the details of the Company's directors in its subsidiary are as the following:

Subsidiary	Name - Surname	Position in subsidiary
PSGC (Lao) Sole Company Limited	1. Mr. Van Hoang Dau 2. Mr. David Van Dau	President Vice President

**Appendix**

# 3

**The Details of the Head of Internal Audit  
and Compliance Unit**





## Appendix 3

### The Details of the Head of Internal Audit and Compliance Unit

#### Internal Auditor (from the external firm)

#### Mr. Sukit Vongthavaravat

##### Current Position

- Head of Alliance, KPMG Phoomchai Business Advisory Ltd.

##### Education

- Bachelor of Accounting, Chulalongkorn University
- Master of Accounting, California, USA

##### Work Experience

- 2022 - Present      Head of Alliance  
KPMG Phoomchai Business Advisory Ltd.
- 2016 - 2022      Head of Advisory  
KPMG Phoomchai Business Advisory Ltd.
- 2013 - 2015      Partner  
KPMG Phoomchai Business Advisory Ltd.
- 2011 - 2013      Director  
KPMG Phoomchai Business Advisory Ltd.
- 2004 - 2010      Manager  
KPMG Phoomchai Audit Ltd.
- 2001 - 2003      Assistant Manager  
KPMG Phoomchai Audit Ltd.

##### Certificate

- Certified Public Accountant: CPA
- Certified Internal Auditor: CIA

## Profile of Internal Audit

### Mr. Chayasak Naosuwan

#### Current Position

- Senior Internal Auditor, Quality Management Asst. Representative

#### Education

- Bachelor's degree in Business Administration majoring in Finance and Banking, Ramkamhaeng University

#### Work Experience

- 2018 - present            Senior Internal Auditor, Quality Management Asst. Representative
- 2017 - 2018             Senior Warehouse Officer

#### Training

- Requirement and Interpretation of ISO 9001:2015
- Internal Quality Audit ISO 9001:2015
- Quality Management System : Instructor and Consultant ISO9001:2015
- Interpretation Requirement ISO 9001:2015, IATF 16949:2016
- Interpretation Risk Assessment ISO 9001:2015, IATF 16949:2016
- Interpretation IQA and MRW ISO 9001:2015 & IATF 16949:2016
- Statistical Process Control (SPC)
- Failure Mode and Effects Analysis (FMEA)
- Product Part Approval Process (PPAP)
- Advance Product Quality Planning (APQP)
- Measurement System Analysis (MSA)

#### Roles & Responsibilities of Internal Audit Head

1. Assign internal auditors to specific audit issues within the team.
2. Review and regulate the work standards of internal auditors to ensure compliance with established standards.
3. Develop and present an annual audit plan to the Audit Committee for approval.
4. Prepare necessary information for audit notifications, schedule appointments with auditees, and communicate other relevant information.
5. Review the Audit Programs for each audit issue in the annual plan to align with the audit objectives and organizational goals.
6. Evaluate the adequacy, credibility, accuracy, and timeliness of the Company's internal control system.
7. Review audit reports and track the implementation of recommended actions.
8. Prepare an audit report for review by senior executives and the Audit Committee.
9. Foster the professional development of internal auditors at all levels to enhance their knowledge and skills and evaluate their performance.
10. Provide consulting and guidance on the internal control system and risk management.

## Profile of Head of Compliance

### Miss Pathamakorn Buranasin

#### Current Position

- Chief of CEO Office / Company Secretary

#### Education

- **Master's degree**  
Master of Law (LLM) in International and Comparative law, The George Washington University, U.S.A.
- **Bachelor's degree**  
Bachelor of Law (Second Class Honors), Chulalongkorn University

#### Training

- Institute of Legal Education of the Thai Bar
- Director Certification Program (DCP) # 220/2559, Thai Institute of Directors (IOD)
- Ultra Wealth Program #Gen 2 by Ultra Wealth Co., Ltd.
- Digital Transformation for CEO # Gen 2 by Nation Group

#### Work Experience

##### Position in Other Listed Company

- 2015 - Nov 2021 Director, Member of Executive Director
- Mar 2021 - Nov 2021 Managing Director
- 2015 - Mar 2021 Deputy Managing Director (Central Administration Division)
- 2016 - Nov 2021 Company Secretary  
T Engineering Corporation Public Company Limited (The current name is "PSG Corporation (Public) Company Limited")

##### Position in Other Non-listed Company

- 2017 - 2018 Director  
T Asset Management Company Limited

# Appendix

# 4

Operating Assets and the Details of Asset Appraisal



## Appendix 4

### Operating Assets and the Details of Asset Appraisal

#### Operating Assets

##### The Company's key assets

The Company and its subsidiary's core assets according to net book value as of December 31, 2023, are as the following:

	Consolidated Financial Statement		Separate Financial Statement	
	Cost price (million Baht)	Net value (million Baht)	Cost price (million Baht)	Net value (million Baht)
1. Land	12.2	12.2	12.2	12.2
2. Rental building and its renovation	8.4	3.5	7.0	2.2
3. Machinery and equipment	9.6	3.5	9.6	3.5
4. Decoration and office supplies	16.5	5.4	14.0	3.3
5. Vehicles	3.3	0.4	3.3	0.4
6. Right-of-use assets	69.0	41.8	50.5	28.0
<b>Total</b>		<b>66.8</b>		<b>49.6</b>

The Company and its subsidiary entered into a 1-4 year-asset lease agreement used for the Company and its subsidiary's operations.

#### Investment Property

The details of the Company and its subsidiary's investment property according to net book value as of December 31, 2023 are as follows:

	Consolidated Financial Statement	Separate Financial Statement
	Value (million Baht)	Value (million Baht)
Land	50.0	50.0
Re-valuated property	16.9	16.9
<b>Total</b>	<b>66.9</b>	<b>66.9</b>

**Note:** The Company re-estimated land valuation based on land appraisal price from independent property appraiser according to the asset appraisal report as of August 19, 2021.

#### Investment policy on the Company's subsidiary and associate company

The Company has a policy to invest in its subsidiary by taking into account various factors to mainly encourage and enhance the businesses related to the Company's core businesses.

Nevertheless, the Company had no associate company as of December 2023.

# Appendix

# 5

Corporate Governance Policy, Practice Guidelines and  
Business Code of Conduct (Full Version)



## Appendix 5

### Corporate Governance Policy, Practice Guidelines and Business Code of Conduct (Full Version)

The Company has disclosed Corporate Governance Policy and Business Code of Conduct on the Company's website ([www.psgcorp.co.th](http://www.psgcorp.co.th)) under the heading **"Corporate Governance"**

The details of Corporate Governance Policy and Business Code of Conduct (full version)

[https://www.psgcorp.co.th/TH/corporate\\_governance.html#corporate1](https://www.psgcorp.co.th/TH/corporate_governance.html#corporate1)

QR Code



# Appendix

# 6

## Report of the Audit Committee





# Appendix 6

## Report of the Audit Committee

Dear shareholders,

The Board of Directors has established an Audit Committee comprising four independent directors, each possessing a high level of expertise and experience in various aspects of the Company's operations. The Audit Committee members fully comply with the Stock Exchange of Thailand (SET) regulations. The committee members are as follows:

1. Pol. Gen. Chaiwat Getvorachai, Ph.D.  
Chairman of the Audit Committee
2. Mr. Prapas Vichakul  
Member of the Audit Committee
3. Khammany Inthirath, Ph.D.  
Member of the Audit Committee
4. Damp Sukontasap, Ph.D.  
Member of the Audit Committee

Ms. Somruedee Halilamien, Chief Financial Officer, serves as the secretary of the Audit Committee.

The audit committee operates independently within the scope and with the responsibilities determined by its charter. In accordance with the requirements laid out by the Stock Exchange of Thailand and the Securities and Exchange Commission, this charter is subject to review at least once per year, thus ensuring that the Company's operations are transparent, ethical, and fair, and that it is guided by the principles of good corporate governance and the maximization of shareholder value.

In 2023, the Audit Committee held five meetings in which they met with internal auditors, external auditors, executives responsible for accounting and finance, and other relevant executives to exchange information, provide recommendations, and report on their performance to the Board of Directors quarterly. Regarding/Forthe attendance record of each Audit Committee member at these meetings, see below:

Name	Title	Number of times attended
1. Pol. Gen. Chaiwat Getvorachai, Ph.D.	Chairman of the Audit Committee	5/5
2. Mr. Prapas Vichakul	Member of the Audit Committee	5/5
3. Khammany Inthirath, Ph.D.	Member of the Audit Committee	5/5
4. Damp Sukontasap, Ph.D.	Member of the Audit Committee	5/5

The audit committee met with the external auditor once in the year. No company executives or internal auditors attended this meeting, thus allowing committee members to discuss matters freely and to pose questions to and to seek the opinions of the external auditors without restraint in areas such as the quality of the accounts, the assistance provided by executives to the external auditors, and any worries that the external auditors might have over the Company accounts.

### Summary of the Audit Committee's Performance

#### Review of financial statements

The Audit Committee reviewed the Company's quarterly financial statements and the financial statements for 2022. The committee found the financial statements accurate and in compliance with legal requirements and financial reporting standards. Additionally, the notes

in the financial statements were deemed complete, adequate, and timely, providing valuable information for shareholders and users. During the meeting with the auditor, all opinions were freely expressed. The committee performed its duties and responsibilities to ensure the Company's financial reporting was accurate and sufficiently disclosed.

#### Reviewing the effectiveness of the internal control system

The Audit Committee reviewed and assessed the adequacy and appropriateness of the Company's internal control system by considering the audit report of the internal auditor. The committee found that the Company's internal control was sufficient and suitable for the business environment. The internal auditor's audit report for each quarter was used to assess financial

reports' risk management and reliability and acknowledge inspection reports. The committee also followed up on improvements according to suggestions to ensure that the Company could solve problems in a timely manner. In addition, the committee provided valuable suggestions for enhancing the efficiency of the internal audit system and promoted the development and improvement of audit quality. The committee regularly followed up on the results of inspections.

### Review of connected transactions

The Audit Committee reviewed the Company's transactions with related parties and entities to address any potential conflicts of interest. The committee performed this to promote accurate, complete, and fair disclosure of information by considering the best interests of both the Company and its shareholders. Through 2023, the audit committee investigated situations where there was a potential for conflicts of interest to occur, though it was discovered that the Company acted entirely in compliance with accepted trade standards and there were no incidents where benefits might unjustly or unreasonably accrue to an individual involved in a commercial relationship with the Company through a conflict of interest. Moreover, in line with both the principles of good corporate governance and the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand, disclosure has been full and complete.

### Evaluation of the Audit Committee

The Audit Committee evaluates its performance annually using the assessment form recommended by the Stock Exchange of Thailand. The evaluation aims to improve the committee's performance and align it with the Company's business operations. The committee has effectively fulfilled its duties and responsibilities as outlined in its scope of authority and responsibilities.

### Good Corporate Governance Review

The Audit Committee reviewed the Company's compliance with the rules, regulations, code of conduct, and laws related to its business operations to maintain confidence among shareholders and stakeholders and to demonstrate the Board of Directors' commitment to sound corporate governance principles. The Company's business operations are regularly reviewed and improved to align with its objectives and to ensure efficiency and effectiveness. This review takes place at least once a year. To help prevent fraud and corruption, the Company has

put in place procedures to support whistleblowers report wrongdoing, while also protecting those making any such report. However, in 2023, no reports of corruption or violations of relevant laws, rules, or regulations were received.

### Approval of the appointment of an auditor

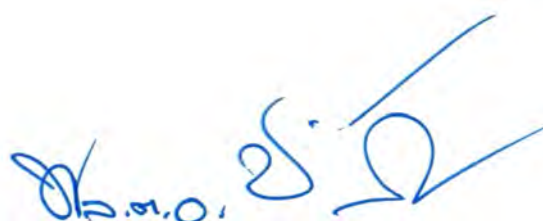
The Audit Committee considered the selection of auditors and provided opinions to the Board of Directors for approval at the shareholders' meeting. The shareholders' meeting approved the appointment of EY Office Limited as the auditor for 2022. The committee considered the credibility, independence, knowledge, and experience in auditing and advising on accounting standards. The Company's auditor had no relationship or interest with the Company, subsidiaries, executives, major shareholders, or those related to such persons in any way. The auditor was independent in auditing and expressing opinions on the Company's financial statements.

### Risk Management Review

The Audit Committee oversaw the risk assessment of the business and followed up on the operations of the risk management team by assigning internal auditors to follow up. The committee presented risk information to the Board of Directors and the management so that the management could be aware of and could take appropriate measures.

### Conclusions of the Audit Committee's opinions on the operations in various fields

In 2023, the Audit Committee followed up on the Company's operations according to the assigned scope of duties and responsibilities. The committee concluded that the Company's Board of Directors and the management were committed to performing their duties to achieve the set goals correctly. The Company gave great importance to efficient and effective operation, transparency, and accountability, including the accuracy of the Company's financial statements in all material respects according to generally accepted accounting principles. Information on connected transactions or transactions that might cause conflicts of interest was disclosed. The Company had an adequate internal control and risk management system that suited business conditions.



**Pol. Gen. Chaiwat Getvorachai, Ph.D.**

Chairman of the Audit Committee

# Appendix

# 7

## Report of Other Sub-Committees



# Appendix 7

## Report of Other Sub-Committees

### Report of the Risk Management Committee

Dear shareholders,

A risk management committee comprised of three independent and company directors has been constituted by the Board of directors. In accordance with the requirements of the Stock Exchange of Thailand, these individuals are suitably experienced, knowledgeable, and competent, and in addition, have a comprehensive understanding of the nature of the Company's business.

1. Khammany Inthirath, Ph.D.  
Chairman of Risk Management Committee
2. Mr. David Van Dau  
Member of Risk Management Committee
3. Mr. Nopadol Intralib  
Member of Risk Management Committee

The risk management committee operates according to its charter and within the scope of responsibilities as determined by the Board of Directors, to which the committee reports. The committee met twice in 2023, both times online. All members of the committee were present at both meetings, and the committee was able to fully discharge its responsibilities to monitor the Company's exposure to risk and to keep this within acceptable limits. In the year, the committee undertook the following activities.

1. Reviewing the criteria for enterprise risk assessment, the likelihood of negative events occurring, possible impacts arising from these, and the level of acceptable exposure to risk.
2. Undertaking enterprise risk management (ERM) by assessing the key sources of risk, the primary indicators relevant to these, the criteria for assessing risk, and their sources. This included a consideration of strategic, operational, financial, compliance, social, environmental and newly emerging risks, with the goal

of ensuring that the ERM process encompassed an assessment of both internal and external sources of risk and the possible consequences arising from these. To ensure that the Company is able to promptly manage negative impacts and losses arising from risk events, monitoring extended to include planned and actual risk management measures.

3. Undertaking financial risk management (FRM) by assessing the risk of corruption, key indicators relevant to this, the criteria for assessing financial risk, and the sources of this. To ensure that the Company is able to promptly manage negative impacts and losses arising from financial risk, monitoring included planned and actual risk management measures.
4. Reviewing appointments to the risk management committee, its scope of operations, and its reporting.
5. Reviewing the risk management committee's charter and ensuring that this is in accordance with the current regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission's Code of Corporate Governance, which state that such a review should be carried out at least once per year. The risk management committee was thus able to complete its duties and to do so fully, transparently, fairly, and independently, and in line with the principles of good corporate governance, the committee operates in light of a commitment to ensuring the greatest possible benefits to the Company and to its stakeholders.



**Khammany Inthirath, Ph.D.**

Chairman of Risk Management Committee

## Report of the Nomination and Remuneration Committee

Dear shareholders,

A Nomination and Remuneration committee comprised of three independent and company directors has been constituted by the Board of Directors. In accordance with the requirements of the Stock Exchange of Thailand, these individuals are suitably experienced, knowledgeable, and competent, and in addition, have a comprehensive understanding of the nature of the Company's business.

1. Souphanh Keomixay, Ph.D.  
Chairman of Nomination and Remuneration Committee
2. Mr. David Van Dau  
Member of Nomination and Remuneration Committee
3. Mr. Nopadol Intralib  
Member of Nomination and Remuneration Committee

The Nomination and Remuneration committee operates according to its charter and within the scope of responsibilities as determined by the Board of Directors. The committee met twice in 2023, both times online. All members of the committee were present at both meetings, and the committee was able to fully discharge its responsibilities to monitor important matters falling within its remit and to make appropriate proposals to the Board of Directors and/or meetings of the shareholders. In the year, the committee undertook the following activities.

1. Considering candidates suitable for appointment to the Board of Directors as replacements for directors whose term of office has come to an end. These candidates were assessed in terms of their seniority, experience, knowledge, and ability and the extent to which this would be of benefit to the Company. In 2023, three directors were required to retire from the Board on the expiry of their term of office, though these were then proposed for reappointment to the Board for a new term. These three individuals were thus renominated, and were duly elected as directors.

2. Considering the annual remuneration appropriate for the Board and committee members. This consideration was made in light of the duties and responsibilities incumbent on office holders, the results of directors' self-assessment, and the Company's financial performance in the year. Remuneration was also set with regard to the market norms established by similarly-sized companies in the same industry.
3. Considering the remuneration and annual bonus for the chief executive officer. This consideration was made with regard to the duties and responsibilities of the CEO, the Company's financial performance in the year, and the market norms established by similarly-sized companies in the same industry.
4. Reviewing the Nomination and Remuneration committee's charter and ensuring that this is in accordance with the current regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission's Code of Corporate Governance, which state that such a review should be carried out at least once per year. The Nomination and Remuneration committee was thus able to complete its duties fully, transparently, fairly, and independently, and in line with the principles of good corporate governance, the committee operates in light of a commitment to ensuring the greatest possible benefits to the Company and to its stakeholders.



**Souphanh Keomixay, Ph.D.**

Chairman of Nomination and Remuneration Committee



**PSG Corporation Public Company Limited**

11/1 AIA Sathorn Tower, 21<sup>st</sup> Floor

South Sathorn Road, Yannawa, Sathorn, Bangkok 10120

[www.psgcorp.co.th](http://www.psgcorp.co.th)