



56-1 ONE REPORT 2024

TIPCO ASPHALT PUBLIC COMPANY LIMITED



CONNECTING WAYS OF LIFE

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Part 1 Business Operations and Performance

1. Group Structure and Operations

1.1 Policy and business overview

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

Message from the chairman

The year 2024 presented a series of formidable challenges, including a sluggish global economy, volatile crude oil prices, geopolitical tensions, high interest rates, and delays in the disbursement of the Thai government's budget. Despite these headwinds, Tipco Asphalt Public Company Limited and its subsidiaries (the Group) demonstrated resilience and delivered a strong performance. Our commitment to excellence and adaptability helped us achieve significant milestones in the areas of environmental, social, and corporate governance, as we kept to the path of becoming a sustainable organization.

The overall asphalt industry in Southeast Asia faced an economic downturn in 2024, leading to an 8.2% decline in the average asphalt selling price compared to 2023, while the average asphalt cost decreased by only 6.7%. The volatility and high prices of feedstock throughout the year resulted in lower-than-targeted sourcing suitable feedstock for the Company's KBC refinery in Malaysia. Consequently, the Company had to procure asphalt from other oil refineries at a higher cost. Total sales volume of asphalt products of the Group reached 1.1 million tons in 2024, representing a slight decrease of 2.4% compared to the previous year, which was affected by the delayed approval of the government budget for the fiscal year. These delays significantly affected road construction and maintenance projects nationwide, leading to a notable reduction in asphalt demand during the first half of the year. However, the market began to recover in the latter half of the year, as budget disbursements resumed in late Q2. As a result, the Group's total revenue was reported at THB 28,220 million, with a net profit of THB 1,417 million, decreased from 2023 by 10% and 35% respectively.

The construction business remains a key business unit in the Company's integrated operations in terms of production, product development, marketing, and product distribution of the Group. During the 4th quarter 2024, our construction subsidiary completed the partial handover of the THB 9 billion new 3rd runway at the Suvarnabhumi International Airport to our client, the Airport Authority of Thailand PLC. The 3rd runway became operational immediately to ease the heavy runway congestion caused by the year-end high aviation traffic. In December 2024, the Company acquired the remaining 37.5% shareholding of Thai Slurry Seal Co., Ltd and became the sole owner of our construction subsidiary. This strategic acquisition enhances the Group's flexibility in managing the Construction Business and enables better integration of all business units.

The Group overcame a volatile business environment and delivered a good performance in 2024, mainly through innovation and sustainability. The asphalt industry remains dedicated to advancing new technologies, enhancing workforce expertise, and upgrading infrastructure standards. These efforts adapt to the evolving market demands while also creating long-term value for all stakeholders. Looking ahead, several new mega infrastructure projects are set to be launched in the not-too-distant future. This will drive growth and support the development of sustainable and environmentally friendly infrastructure.

In order to be a "Sustainable Organization", one of the Company's key strategic goals, we continuously integrate sustainability strategies across 5 aspects: Innovation Leader, Eco-Efficiency Operations, Safety Awareness, Good Corporate Governance, and Value for the Future. We have made progress in all areas. On environment, for instance, the Company generated its International Financial Reporting Standards (IFRS) S2 report: Climate-related Disclosures. We have received several honorable awards and recognitions including a perfect score of 100 points in the AGM Checklist assessment by Thai Investor Association, 5-star CGR rating Thai Institute of Directors, Sustainability Disclosure Award by Thaipat Institute, AA rating on the SET ESG Ratings by the Stock Exchange of Thailand, 74 percentile on FTSE Russell and 77 percentile on Corporate Sustainability Assessment by S&P global.

In summary, the Group's 2024 performance was praiseworthy for the strong return to shareholders. It is my pleasure to inform you that the Board has proposed to the 2025 Annual General Meeting for approval a total dividend payment of THB 0.90 per share, representing a 100% payout. This proves why we have been selected as a member on the SETHD (High Dividend) index for the past 9 years.

As we reflect on 2024, I am proud of our achievements and the dedication of our team, whose commitment has enabled us to navigate

a complex and volatile environment. Together, we will continue to innovate, adapt, and lead the way towards sustainable growth and value creation for all stakeholders.

On behalf of the Board of Directors, I would like to extend my gratitude to all shareholders and stakeholders of the Group for their continuous support. I would also like to thank our management and staff for their dedication, initiative, and hard work. Their “Teamwork, Integrity, Prudence, Commitment, and Open-minded” (the Group’s Core Values) attitude in performing their duties are all very much appreciated.

Vision

TO PROVIDE ASPHALT SOLUTIONS IN A SUSTAINABLE MANNER LED BY AN INNOVATIVE CULTURE

Objectives

The Group has set out a long-term corporate strategy as the guidelines for its business direction since 2020. The corporate strategic plan focuses on formulation of our Mission/Vision statements, and on the development of our strategic goals/objectives supported by a set of strategic initiatives to make sure our long-term Mission/Vision can be met while ensuring our businesses remain resilient to cope with any challenges/risks encountered. The Group re-aligns our strategies every year and carries out a complete full review every 5 years.

The current corporate strategic plan, Vision 2025, was formulated by taking into consideration all relevant factors in the context of the Group’s business outlook, key issues of interests/expectations by stakeholders, and constantly changing business environments including potential risks and opportunities that may arise to ensure sustainable value creation for the organization, related stakeholders, the environment, and the society at large. This business direction is implemented through coordinated plans and resource allocation in different business functions and processes across the Group governed by the top management and the Board of Directors.

The Group conducts strategic reviews every year, to ensure our high resiliency in the face of any potential risks or new market challenges. Our senior management, together with key business unit heads and Corporate Strategy teams, considers market development, business outlook, and macro trends including key risks. Market scenarios are then simulated, and the Group revises its strategic initiatives accordingly.

Goals

For the successful implementation of our Vision 2025 and corporate strategic plan, the Group has formulated 6 strategic goals, to serve as the directional guidelines for all business units across the Group. The detail of each strategic goals are as follows:

- S1 A Truly Global Entity: Recognized as the industry leader exemplifying global standards
- S2 Diversified Portfolio of Solutions: Diversified portfolio of solutions to serve needs of all customers
- S3 Innovation Beyond Product: Instill innovative culture within organization to improve efficiency of our processes and services
- S4 Client Centric: Exceed customers’ expectations through anticipation of their future needs
- S5 Data Driven Organization: Optimize business intelligence for efficient decision making
- S6 Sustainable Organization: Encourage innovative, eco-efficient and safety mindset in a sustainable organization

Each Strategic Goal is accompanied by a set of strategic initiatives whose scope and scale are contingent upon related business units, resources required, and implementation timeframes.

Successful execution of each strategic initiative serves to achieve the Group’s Vision 2025 in a cohesive manner, thus ensuring synchronization of internal stakeholders and awareness of external stakeholders.

Business strategies

The Group’s approach towards formulating its Corporate Strategy begins with its Mission, and Vision statements, accompanied by strategic goals that take into consideration market trends, challenges and risks to the Group and future competitive needs of the industry.

Launched in 2020, the Group’s Vision 2025 focuses on systematically incorporating sustainable development practices and

innovative mindset at all levels, and functions of the organization.

In the past 4 years, this can be observed from its business interactions with stakeholders, activities with local communities, and most importantly its customer relationships that go beyond product offerings.

Mission

TO BE A GLOBALLY PREFERRED INTEGRATED ASPHALT SOLUTIONS PARTNER

1.1.2 Material changes and developments

Details regarding material changes and developments

Year	Material changes and developments
2024	<p>The Company reinforced its status as a leading manufacturer and distributor of asphalt products in 2024, catering to both domestic and international markets. Despite the significant challenges of the first half of 2024 due to the long delay in the Thai government’s disbursement of the year’s fiscal budget, the Company’s resilience and adaptability helped us achieve our targets and conclude the year with positive results.</p> <p>In December 2024, the Company acquired 100% holdings in its subsidiary company, Thai Slurry Seal Co., Ltd, a specialist in road maintenance and micro-surfacing solutions. This strategic acquisition aims to strengthen Tipco Asphalt’s position in the infrastructure sector by expanding its service offerings and enhancing operational efficiency. By integrating Thai Slurry Seal’s expertise, Tipco Asphalt can provide more comprehensive road construction and maintenance solutions, reinforcing its market leadership in Thailand and the region.</p> <p>Sustainability remained a key corporate strategy of Tipco Asphalt in 2024. The Company is committed to reducing its environmental impact through innovative product development and energy-efficient manufacturing processes. The Company achieved an “AA” rating in the SET ESG Ratings 2024, reflecting its commitment to sustainable business operations across all dimensions, including environmental, social, economic, and corporate governance.</p> <p>By investing in research and development, the Company continues to innovate through eco-friendly asphalt products and services that contribute to the high-quality durability of its roads, highways and airport runways, while minimizing environmental damage. Additionally, the Company actively engages in corporate social responsibility initiatives, emphasizing community development and environmental conservation.</p>
2023	<p>In 2023, the Group’s performance remained respectable through the purchase of other feedstocks in replacement of the sanctioned Venezuela crude, and our ability to procure historical quantities of asphalt from our Thai and other regional refineries. The implemented “selective market sales strategy” worked well under the tightening asphalt supply situation in the region.</p> <p>Following Strategy S6: Sustainable Organization” The Group has made progress as follows:</p> <ul style="list-style-type: none"> • the Company established Indrachit Holding Company Limited, a new subsidiary, which is a holding company for investment in innovation projects as part of the “Innovative Leader” pillar under the sustainable development strategy. Indrachit Holding Company Limited has a 50% shareholding in Nila Solutions Company Limited which provides a road construction management platform, through drone technology, with the aim to uplift road construction standards. • In line with “Commitment to Climate change”, the Company is committed to the continuous improvement of its performance, and the depth and scope of its climate-related disclosure in the coming years. In response to this, the Company has engaged a professional consultant to assist in conducting Climate strategies and IFRS S2 report.

Year	Material changes and developments
2022	<p>Tipco Asphalt Public Company Limited (“the Company”) notified to the Stock Exchange of Thailand that Tasco International (Hong Kong) Ltd (“TIH”), a wholly owned subsidiaries of the Company, had disposed its investment in Zhenjiang Tipco Asphalt Co., Ltd. (“ZJ”). This is in line with the Company’s strategy in China with focusing on retail markets. In any event, the Company is committed to the China market by operating through other subsidiaries in China.</p> <p>In the wake of geopolitical conflict between Russia and Ukraine, 2022 was the year that crude price surged and remained high. Nevertheless, The Group has managed to secure alternative feedstocks and continue implementing selective market strategy. This played crucial role for the Company strong performance.</p> <p>In particular, acquisition of construction business since early 2021 has started to take off to the future. Major projects, e.g., 3rd runway of the Suvarnabhumi International Airport project has been entering into the phase of asphalt usage. This, in turn, contribute to growing and consistent revenue from construction business in the Group. In order to reflect the importance of the project which is the future if the Company, the Board of Directors made field trip to the 3rd runway of the Suvarnabhumi International Airport project during November 2022.</p>

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

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

1.1.4 The obligations to which the company has committed in the registration statement, including the compliance with such obligations or conditions in the following years

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

1.1.5 Company information

Company name : TIPCO ASPHALT PUBLIC COMPANY LIMITED
Symbol : TASCO
Address : 118/1 RAMA VI ROAD, PHAYA THAI SUB-DISTRICT, PHAYA THAI DISTRICT
Province : Bangkok
Postcode : 10400
Business : Tipco Asphalt Public Company Limited (“the Company”) was established in 1979. The Company, its subsidiaries, joint ventures and associated companies (“the Group”) are leading manufacturers and distributors of asphalt products for repairing, maintaining and constructing road pavements, highways and airport runways in Thailand and Asia-Pacific region. Its asphalt products are sold to importers and road contractors in Africa, Australia and North America as well.

Registration number : 0107535000044
Telephone : 0-2273-6000
Facsimile number : 0-2273-6030
Website : <http://www.tipcoasphalt.com>
Email : info@tipcoasphalt.com

Total shares sold
Common stock : 1,578,361,570
Preferred stock : 0

Diagram of organization's logo



TIPCO
ASPHALT

Tipco Asphalt PLC.

1.2 Nature of business

The Tipco Asphalt Public Company Limited was first listed in the Stock Exchange of Thailand in 1992. The Group's Vision 2025 is “to provide asphalt solutions in a sustainable manner led by an innovative culture”, while its Mission is “to be a globally preferred integrated asphalt solutions partner”. We commit to “deliver innovative solutions for the sustainable living of all societies”.

The Company, its subsidiaries, joint ventures, and associated companies (“the Group”), are leading manufacturers and distributors of asphalt products for the repair, maintenance and construction of road pavements, highways and airport runways in Thailand and the Asia-Pacific region. Its asphalt products are sold to importers and road contractors in Africa, Australia, and North America.

The Company also sells non-asphalt products, such as naphtha, gas oil and fuel oil, from its asphalt crude refining process to oil traders and refineries in Thailand, Singapore, and Malaysia.

Thanks to the cooperation of one of its major shareholders, Colas S.A. of France (“Colas”), a world leader in the construction and maintenance of transport infrastructures, the Group can deliver the highest quality asphalt products and innovative road pavements to its customers.

As the market leader in Thailand, the Company's objective is to increase the sales proportion of high-margin products in the Thai markets. With this aim in mind, the Company invested in TSS to help the construction group become more competitive and secure more construction projects. Above all, this acquisition allowed the Company to complete its value chain for the asphalt business.

1.2.1 Revenue structure

Revenue structure by product line or business group

	2022	2023	2024
Total revenue from operations (thousand baht)	33,400,530.00	31,105,999.00	27,963,901.00
Asphalt and related petroleum products (thousand baht)	29,607,190.00	27,040,539.00	25,594,977.00
Marine Group (thousand baht)	69,580.00	50,669.00	6,184.00
Construction Group (thousand baht)	3,723,760.00	4,014,791.00	2,362,740.00
Others (thousand baht)	0.00	0.00	0.00
Total revenue from operations (%)	100.00%	100.00%	100.00%
Asphalt and related petroleum products (%)	88.64%	86.93%	91.53%
Marine Group (%)	0.21%	0.16%	0.02%
Construction Group (%)	11.15%	12.91%	8.45%
Others (%)	0.00%	0.00%	0.00%

By geographical area or market

	2022	2023	2024
Total revenue (thousand baht)	33,400,530.00	31,105,999.00	27,963,901.00
Domestic (thousand baht)	15,753,000.00	15,062,740.00	14,774,983.00
International (thousand baht)	17,647,530.00	16,043,259.00	13,188,918.00
Total revenue (%)	100.00%	100.00%	100.00%

	2022	2023	2024
Domestic (%)	47.16%	48.42%	52.84%
International (%)	52.84%	51.58%	47.16%

Other income as specified in the financial statements

	2022	2023	2024
Total other income (thousand baht)	321,858.00	246,045.00	256,578.00
Other income from operations (thousand baht)	0.00	0.00	0.00
Other income not from operations (thousand baht)	321,858.00	246,045.00	256,578.00

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

	2022	2023	2024
Share of profit (thousand baht)	161,028.00	111,868.00	110,212.00

1.2.2 Information on products and services

1.2.2.1 Product/service information and business innovation development

Asphalt Business

Asphalt Cement (AC) is the product of the crude oil refining process. There are various grades of asphalt cement such as AC 30-40, AC 40-50, AC 60-70, and AC 80-100 for use in different road construction and maintenance applications. Our refinery in Malaysia refines heavy crude oil to produce all grades of AC. The quality of hard penetration AC, especially AC 30-40 and AC 40-50 from our refinery, is superior to AC from other refineries, thereby significantly enhancing road performance.

Cutback Asphalt (CB) is a mixture of AC and petroleum solvents, primarily used for prime coating on the base course and certain road maintenance works. However, CB has become less popular due to its high costs, fire hazard, and the considerable environmental impact caused by solvent evaporation into the atmosphere.

Asphalt Emulsion (AE) is a homogeneous mixture of AC, water, and chemicals. AE is applied at normal temperatures and is environmentally friendly, as the water in AE evaporates into the atmosphere, and AC continuously forms a thin film covering the aggregate and/or road surface. The company offers various grades of AE for different applications. Emulsified Asphalt Prime (EAP) was developed to replace Cutback Asphalt as it can penetrate the base course deeper and more rapidly. Consequently, the road surface can be reopened to users in a much shorter period.

Polymer Modified Asphalt (PMA) is a premium-grade asphalt mixture of AC and polymer compounds. PMA's quality is much more superior than conventional AC, providing higher softening point, elastic recovery, cohesion, toughness, and tenacity. These characteristics provide greater resistance to rutting and extend the useful life of roads, highways, and airport runways.

Natural Rubber Modified Asphalt Cement (Para AC) is a mixture of AC and concentrated natural latex. Para AC is particularly well-suited for road construction and maintenance in areas with high traffic density. The company introduced and was the first successful manufacturer of Para AC in Thailand, utilizing concentrated natural latex with ultra-low ammonia formulation. This innovative approach reduces odor and eliminates pollution during both the production and application stages.

Modified Asphalt Emulsion (Modified AE) is an upgraded version of AE with added concentrated latex, which provides a superior quality to normal AE. One of its various applications is for Tack Coating, which enhances bonding between asphalt pavement layers better than normal AE. Another usage is Para Slurry Seal (or micro-surfacing), characterized by providing higher skidding resistance which improves road safety. This technique can seal small cracks on road surfaces, preventing water from penetrating the base course which increases the durability of road surfaces and ultimately extends the service life of roads. Modified AE is also employed in a new road surfacing maintenance technique called FIBROSEAL, developed from Para Slurry Seal by incorporating fiberglass. FIBROSEAL reduces aggregate loosening, significantly improving skidding resistance and extending the useful life of the road. The company offers various grades of Modified AE, such as CRS-1P, CRS-2P, and CMS-1hP, or CSS-1h (EMA) each boasting superior quality compared to normal AE.

Tipco Premix is an instant, ready-to-use product available in 20 kg retail packages. It is made from selected aggregates with proper gradation and AE. Tipco Premix is ideal for road surface repairs, pothole repairs, speed bumps, and other small road projects.

Tipco Joint Sealer offers extra bonding and durability under extreme weather conditions. Tipco Joint Sealer exhibits high flexibility while strongly adhering to concrete-joint surfaces. Used in conjunction with Tipco Joint Primer, the Tipco Joint Sealer performs exceptionally well in sealing joints between concrete slabs. "Top Joint" is another of the Company's Joint Sealers, also designed for general application.

Petroleum products: Naphtha, Atmospheric Gas Oil (AGO) and Vacuum Gas Oil (VGO) are by-products from our refinery (KBC) in Malaysia. These products are distributed directly to customers in the Asia Pacific region for further blending and refining processes.

Refinery Business

Tipco Asphalt's refinery in Malaysia has a design capacity to process 30,000 bbl/day of high TAN (Total Acid Number), heavy crude

oil and produce various grades of high-quality asphalt, Atmospheric Gas Oil (AGO), Vacuum Gas Oil (VGO), Kerosene and Naphtha. In 2024, the KBC refinery processed 1.45 million barrels of crude oil and produced 149,860 tons of high-quality asphalt and 74,490 tons of non-asphalt products. In addition, the refinery also produced 3,000 tons of hard grade asphalt.

As recorded in last year's report, the refinery launched a major project in 2023: the procurement and installation of an Asphalt Blowing Unit to produce harder grades of Asphalt. We are pleased to confirm that this new project was commissioned and completed in the final quarter of 2024. Approximately 3,000 tons of hard grade asphalt were produced in the same quarter.

In doing our part to protect the environment and on top of complying with environmental legal and regulatory requirements, the Group has taken various initiatives to reduce the refinery's carbon footprint. As reported last year, the refinery has entered into an agreement with a national electricity company in Malaysia to set up a rooftop solar power generation facility on site, which will generate up 904.8 kWp of solar electricity. This project is expected to be completed by the first quarter of 2025. Upon completion, it will help reduce carbon emissions by approximately 800 tons per year, in addition to facilitating huge electricity savings for the refinery.

In the area of personal safety, the refinery continues to prioritize a strong safety culture in its operating environment. It is pertinent to note that the refinery has a zero-fatality track record since its inception and in its 4,645,714 man-hours since last Lost Time Injury ('LTI') on 5/7/2018, without LTI as on 31 December 2024. The refinery is committed to protecting the environment and minimizing the environmental impacts of its operations, products and services. The refinery continues to operate under best practices as reflected in its certifications, namely ISO9001:2015, ISO14001:2015 and ISO45001:2018 Occupational Health and Safety Management System.

In 2024, the refinery successfully renewed its ISO9001, ISO14001 and ISO45001 Certification with SGS for 3 years until September 2027.

Construction Business

2024 marked another successful year for the Construction Business in executing various projects. Despite challenges arising from budgetary constraints for public infrastructure projects, which persisted from the previous year, the company successfully achieved its revenue targets.

For road maintenance projects, our construction group has maintained its leadership in micro-surfacing and Fibro Seal techniques for expressway maintenance. Notably, our Fibro Seal technique, an advanced form of micro-surfacing that incorporates fiberglass, and enhances efficiency and durability. Although maintenance works declined due to delays in bidding and contract signature caused by late government budget disbursements, we continued to earn and maintain client trust. This ongoing trust highlights our position as a national leader in specialized road maintenance techniques requiring high-level expertise.

For road construction projects, we successfully completed one project this year in the Chiang Rai Province. Despite budgetary constraints from the delayed government tendering process, the company maintains the trust of the Departments of Highways and Rural Roads. Additionally, we have started 2 new road construction projects in the Trat and Suphan Buri Provinces. This year, we also secured contracts for 3 additional construction projects with private companies in the Lampang, Chai Nat, and Phuket Provinces, with construction scheduled to begin in 2025.

Airfield projects remain a core focus for the Construction Business, particularly the 3rd Runway Project at the Suvarnabhumi International Airport. This project achieved significant milestones in 2024 and is expected to be completed soon. We successfully delivered the first phase of the project to the client, which resulted in the new 3rd runway becoming operational for commercial flights. This accomplishment is evidence of our capacity to deliver projects on schedule to the highest standard possible.

Concerning other airfield projects, the Chiang Rai Airport is nearing completion, with certain areas already delivered to the client. Meanwhile, the Trang Airport is proceeding as planned, with the team awaiting the handover of the remaining areas to proceed with the project's next phase.

To support continuous and sustainable growth, the Construction Business has implemented several measures to reduce its environmental impact, aligning with the Tipco Asphalt Group's strategies in addressing climate change. Over the past year, we

invested in a new asphaltic concrete mixing plant, replacing the existing unit to improve production efficiency and energy consumption. We also installed a hot in-place recycling unit that allows the reuse of deteriorated road surfaces or Reclaimed Asphalt Pavement (RAP), helping reduce the usage of natural resources. The unit has already been tested and is in operation. We also have plans to install dust collectors to control dust dispersion, and to switch from fuel to electric heating systems for the asphalt, which will not only improve production efficiency but also reduce energy consumption and greenhouse gas emissions. Additionally, we have installed solar panels at our mechanic center, which has resulted in a reduction of electricity costs by more than 30% per month. In road construction and maintenance, we are committed to using environmentally friendly products and techniques. For instance, we applied micro-surfacing and Fibro Seal techniques for road maintenance and employed high-performance products that extend the lifespan of the roads. This reflects our ongoing dedication to sustainable practices and minimizing environmental impact in our operations.

The Construction Business group upholds the principle that quality and success are at the heart of operations. However, the highest priority for us, above all else, is safety. Our primary goal is "Zero Accidents at Construction Sites." Although this is a challenging target, we are committed to achieving it through collaboration and involvement from all parties within the organization. As of December 2024, the 3rd Runway Project at Suvarnabhumi Airport has accumulated over 9.5 million working hours without a lost-time incident (LTI) since project started, underscoring the dedication of both management and employees working together to create a safe working environment.

Marine Business

The Marine Group owns, manages, and operates a fleet of efficient and reliable asphalt carriers, with a total tonnage of 42,956 MT DWT and an average age of 17.5 years.

Our fully in-house ship-management subsidiary, Tipco Maritime Co., Ltd., plays a strategic role in ensuring tanker asset profitability. This allows the Group to maintain full control over marine logistics activities, maintenance, and cost efficiency. The Marine Group operates with a mission of achieving zero accidents, zero injuries, and zero oil spills. Furthermore, our assets are insured by first-class insurance companies, ensuring reliability and confidence in our operations.

In an ever-evolving industry, meeting stringent IMO GHG reduction regulations is a consistent challenge. These environmental standards assess world fleets on their environmental footprint, energy efficiency, and Carbon Intensity Index (CII). The Marine Group has successfully implemented operational and technical improvements to comply with existing and upcoming IMO GHG emissions regulations. As a result, Tipco Asphalt's fleet ranks favorably within the good performance zone for both the Fleet Energy Efficiency Existing Index (EEFI) and Carbon Intensity Index (CII).

Environmental compliance is now a key focus for the Marine Group. This commitment underscores our goal of providing modern, reliable, and efficient marine transportation services for both our business and new customers within the One Colas Group of Companies.

The Marine Group has supervised the design, construction, and entry into service of state-of-the-art, dual-fuel (LNG and VLSFO) asphalt carriers, incorporating the latest energy-efficient technologies. Two such carriers, the Atlantic Narval and Baltic Narval, were delivered for Continental Bitumen in 2023. These vessels are fully operational, trading globally, and are technically and commercially managed by Tipco Maritime Co., Ltd.

Additionally, the Marine Group initiated a new building project in 2024. Within the coming three years, this project will introduce cutting-edge, low-environmental-footprint bitumen carriers, further enhancing our expansion capabilities.

The human component remains central to Tipco Marine's success. In response to the global shortage of well-trained seafarers, the Marine Group has been proactively investing in training and development.

Tipco Maritime Co., Ltd. has introduced TRACE—a modern training platform that consolidates monitoring, tracking, and career development for seafarers. This innovative system ensures our personnel are prepared to meet the next decade of challenges in maritime shipping.

The Marine Group significantly contributed to maintaining the Group's asphalt logistics by implementing innovative logistical solutions in what was a challenging year. We expect marine transportation will continue to be the most efficient logistical

solution for the Group in years to come.

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

Research and development (R&D) policy : Yes

R&D expenses in the past 3 years

	2022	2023	2024
R&D expenses in the past 3 years (Million Baht)	21.15	20.92	18.70

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

THAILAND MARKET

The demand for asphalt in 2024 reached 1.35 million tons, higher than in 2023, thanks to the company's adaptability and flexibility in managing resources and operations. We overcame these challenges and continued to grow in a volatile environment, focusing on innovation and sustainability across all dimensions of our business.

According to customer feedback, product and service quality are the top factors influencing purchasing decisions. This clearly reflects our success in meeting customer needs through exceptional quality standards and services. Continuous improvements in product quality have earned us a 91% customer satisfaction score for product quality, demonstrating our commitment to not just meet but exceed customer expectation. The second most critical factor is efficient and reliable transportation management. Customers can track shipments in real-time through the company's Line OA platform, enabling them to plan their operations efficiently and ensure timely delivery. This feature has resulted in a satisfaction score of 92% for service quality, reflecting our success in creating positive customer experiences and maintaining customer trust.

With respect to innovation & sustainability in the domestic asphalt industry, our collaboration with Nikko Co., Ltd. from Japan, has successfully driven the sales of Hot Mix plants and Hot Mix Recycling plants, which support the use of recycled materials in road construction. This aligns with the government's policy to promote the use of recycled materials and sustainable development. Additionally, Nila Solutions Co., Ltd., our JV company with the PTTEP Group, has officially launched its services using drone technology for road surveys, monitoring construction progress, and enhancing operational efficiency. By leveraging advanced technology, the company ensures precise and timely data collection, significantly reducing project timelines and improving project management efficiency.

The asphalt industry remains committed to developing new technologies, enhancing workforce expertise, and upgrading infrastructure standards. These efforts not only create long-term value but also address the continuously evolving market demands. Additionally, various projects are expected to launch in the near future, further boosting growth and meeting diverse customer needs, as well as promoting sustainable and environmentally friendly infrastructure development.

INTERNATIONAL MARKETS

Southeast Asia's asphalt market demand in 2024 declined, with regional imports falling by 11%. This decrease was primarily driven by slower regional road construction activity, which was attributed to delayed budget disbursements and postponements of key national projects. These factors contributed to a challenging environment for the asphalt market in the region.

While the sourcing of suitable crude/feedstock remained a significant challenge in 2024, impacting our ability to secure a stable crude supply, the increase of Middle Eastern asphalt imports into Asia negatively impacted on a few of our key international retail markets. With an on-going limited supply from our KBC refinery, the Group will maintain its "Selective Market Strategy" with a sustained focus on Thailand and key international markets with high margins while being actively engaged in securing alternative feedstocks in 2025.

The industry competition during the preceding year

THAILAND MARKET

The asphalt market in Thailand in 2024 faced significant challenges in the first half of the year due to delays in government

budget disbursements, which directly impacted road construction and maintenance projects nationwide, resulting in a significant decrease in asphalt usage across various projects. This demand in reduction led many companies in the industry to adjust their production and sales strategies to cope with the situation.

However, in the second half of the year, the market started showing signs of recovery with the budget disbursements in late Q2, leading to a continuous rise in asphalt sales – particularly new road construction and road maintenance projects at both local and national levels. The demand for asphalt in 2024 reached 1.35 million tons, higher than in 2023, thanks to the company’s adaptability and flexibility in managing resources and operations. We overcame these challenges and continued to grow in a volatile environment, focusing on innovation and sustainability across all dimensions of our business.

INTERNATIONAL MARKETS

Indonesia

Indonesia's GDP growth for 2024 was projected at 4.9%, down from 5.05% in 2023. This decrease is attributed to a softening commodity boom, rising global interest rates, global economic uncertainties, and geopolitical tensions. The Indonesian government has committed to substantial infrastructure investment and allocated a substantial budget of Rp422.7 trillion for infrastructure development in 2024, including Rp43.4 trillion for the development of the new capital city, Nusantara, in East Kalimantan. However, progress has been slower than expected and the asphalt market demand dropped with imports down by 16%, compared to 2023 ending at 900,000 tons.

PT Asphalt Bangun Sarana ("ABS") has grown its sales volume by 5% in a decreasing market, with net profit reaching a record high. This has allowed the Group to maintain its position among the top 4 retailers in Indonesia, thanks to its strong focus on premium binders through better inventory management that ensures supply continuity, optimized operational costs, and financial risk management. The company also achieved significant market share growth in the Kalimantan region thanks to toll road projects secured in IKN projects helping the company regain market leadership in PMA.

Indonesia is expected to achieve consistent growth in 2025 through further development in the premium binder segment in Sumatra. This expansion aims to meet the rising demand for high-quality asphalt products in the region and to further solidify ABS’s market leadership.

Vietnam

In 2024, Vietnam's asphalt import market decreased by 9% due to slow budget disbursement. The significant increase of Middle Eastern products (+35%) impacted the overall market prices and profitability of our subsidiary. Despite a sales volume drop of 22%, Asphalt Distribution Company Limited ("ADCo") managed to maintain a strong market position among the top 3 players in the country while regaining market leadership in added value segments like PMA.

2025 marks the final year of the 5-year economic development plan for the period 2021 - 2025, with the Government's goal of completing major infrastructure projects, such as the phase 2 of the North-South Expressway. ADCo will continue its cooperation with institutes and agencies of the Ministry of Transport to promote High Performance & Lower Carbon Footprint binders with initiatives to further reduce GHG emissions

China

Despite 2024 being the fourth year of the 14th Five-Year Plan, the Chinese economy did not recover as anticipated. Government funding issues affected road infrastructure projects, leading to an 11% decrease in downstream asphalt consumption to 29 million tons. Domestic production also declined by 20% year-on-year while marine imports dropped by 27.4%. However, there was a significant influx of low-priced asphalt from the Middle East entering China through non-marine channels, totaling around 1.6 million tons, up from 436,000 tons in 2023. This created a situation of heavy oversupply and intense price competition in an already weak asphalt market throughout 2024.

Additionally, the weakening RMB impacted import margins, causing the Company’s trading activity to decline by 7% year-on-year, despite its strong brand presence in China. Retail business suffered severe margin erosion due to aggressive local pricing and long credit terms offered by competitors, leading to low sales activities and negative financial performance in 2024.

Looking ahead to 2025, the final year of the 14th Five-Year Plan, China's GDP growth is forecasted to slow to around 4.0% to 4.7%

with a total asphalt demand expected to decrease by 7%, depending on the country's fiscal and monetary stimulus policies and government funding for road projects, which are yet to be confirmed.

Cambodia

Despite the ongoing construction of major highways, planned national roads and the reinforcement of ring roads around major cities, the asphalt demand dropped by 20% in 2024, subsequently impacting Tipco Asphalt (Cambodia) Co., Ltd. ("TAC")'s activity which also decreased by 20% compared to 2023.

In November 2024 TAC signed a MOU with Techno Sen Institute attached to the Ministry of Public Works to strengthen the collaboration on asphalt application of hard grade and premium products. In 2025, we expect demand to remain low, as Chinese investment in the country is yet to be confirmed. TAC will continue promoting sustainable and high-quality standards for road construction through seminars and partnerships with relevant authorities to strengthen its market leadership position.

Philippines

The Philippines asphalt demand grew by 44% in 2024 vs 2023, mainly attributable to the increase in public road projects and tollways maintenance works with contractors accelerating completion in anticipation of the upcoming national elections. Despite a sales growth of 34%, Phoenix Asphalt Philippines ("PAPI") dropped to the third position in the market

PAPI aims to regain the lost market shares in 2025 with more diversified products catalogue to offer when its new emulsion plant became operational from the end of 2024.

2024 proved to be a demanding and intricate year marked by declining regional demand. Our international subsidiaries leveraged their expertise in specialized and diverse products to stand out from competitors and effectively address the persistent challenges. By focusing on innovation and adaptability, we were able to navigate in a difficult landscape and maintain our competitive edge.

1.2.2.3 Procurement of products or services

The Group currently sources its AC from its own asphalt refinery in Malaysia, and other local and regional refineries. This has mitigated the risks associated with reliance on a single source of supply and has additionally enabled us to control the cost of the main raw material. In 2024, the total volume of asphalt sourced from local and regional refineries increased by 10% compared to 2023 which was the majority of our supply. Despite the challenges in asphalt sourcing, the Company remains committed to identifying alternative supply sources to ensure customers have sufficient asphalt products to support their road and runway construction projects.

The company's production capacity

	Production capacity	Total utilization (Percent)
Pitsanulok Plant (ton/hour)	40.00	50.00
Nakorn Ratchasima Plant (ton/hour)	40.00	60.00
Rayong Plant (ton/hour)	40.00	50.00
Surat Thani Plant (ton/hour)	40.00	60.00

The production plan for the asphalt products is primarily driven by customer demand. It involves advance planning among sales, procurement and operations across all plants, taking into account factors such as product type, raw materials, production capacity and lead times, and transportation. This approach ensures on time delivery of products in the required quantity and quality, meeting customer expectations.

Acquisition of raw materials or provision of service

One of the Group's key products is Asphalt Cement (AC), a refined product produced from oil refineries. Other key premium asphalt

products include asphalt emulsion, cutback asphalt, polymer-modified asphalt, natural rubber modified asphalt, etc. These products use AC as the main raw material for manufacturing. The Group currently sources its AC from its own asphalt refinery in Malaysia, and other local and regional refineries.

OTHER RAW MATERIALS

The Group imports chemicals used in the manufacturing of asphalt emulsion and polymer modified asphalt, representing around 13% of total raw materials used. The remaining 87% is sourced through local suppliers.

CHEMICALS CAN BE CLASSIFIED INTO TWO CATEGORIES AS FOLLOWS:

- Solvents: All solvents can be sourced locally, meaning there is little risk of raw material shortage. The market price of solvents fluctuates in line with the price of oil products.
- Emulsifiers: The Group uses several kinds of emulsifiers, which can be imported from international suppliers through their authorized agents or sourced locally. Market prices of emulsifiers are relatively stable.

PRODUCTS FOR WHICH THE GROUP SERVES AS DISTRIBUTOR:

- Asphalt Cement purchased from local and regional refineries
- Diesel oil purchased from oil refineries and other traders
- Lubricant products such as engine oil, transmission fluid, hydraulic oil are purchased from refineries in South Korea, Thailand, and traders.

SUSTAINABLE PROCUREMENT GUIDELINES

The Group continuously strives for good corporate governance practices to maintain its sustainable development. To create value for our goods and services across our manufacturers, service providers and distributors all the way to the users, the Group has established its sustainable procurement policy to promote social responsibility in the Group's business value-chain. Appropriate policies and procedures have been put in place to ensure such practices. The procurement criteria were established with a focus on environment, safety, human rights, transparency, and fairness, alongside the pre-existing procurement standards.

A team made up of representatives from various departments within the Group is sent to assess suppliers and business partners' operational practices annually relating to ESG issues, and to make sure they comply with the Group's standards of sustainable awareness.

PROCUREMENT OF ENVIRONMENTALLY FRIENDLY PRODUCTS AND SERVICES

The Group is committed to sourcing green products, i.e. energy saving, environmentally friendly and locally purchased products. For instance, the Group has established environmentally friendly procurement practices for products and services. Green procurement is monitored with close attention so we can continuously improve operational processes.

In addition to green procurement, the Group promotes awareness of sustainable procurement practices in developing our relationships with suppliers to further improve the value-chain across the Group's business. In 2024, all of our production plants in Thailand received the Green Industry Award certifications level 5 (highest level) – making us part of the so-called "Green Network": comprising organizations that incorporate entities in their supply chains into the Green Industry umbrella.

Proportion of domestic and overseas procurement

Countries	Name of raw material	Value (Baht)
Thailand	asphalt	4,176,000,000.00
Singapore	asphalt	11,474,680,000.00

Major raw material distributors

Number of major raw material distributors (persons) : 6

The raw materials are procured directly from oil refineries in Thailand and other refineries in the region and through traders. Most of the suppliers are our long-term suppliers, with whom we maintain an arm-length business relationship.

1.2.2.4 Assets used in business undertaking

Core permanent assets

The main fixed assets of the group consist of machinery, tools, and equipment used in the asphalt and construction business, as well as vessels used in the marine business. For more details, please refer to the attached document #4.

Core intangible assets

The intangible assets of the group consist of computer software and customer relationship values from acquisitions of subsidiaries in the past. For more details, please refer to the attached document #4.

Investment policy in the subsidiaries and associated companies

Investment policy in the subsidiaries and associated : No
companies

1.2.2.5 Under-construction projects

Under-construction projects : No

Details of under-construction projects

Total projects : N/A
Values of total ongoing projects : N/A
Realized value : N/A
Unrealized value of remaining projects : N/A
Additional details : -

1.3 Shareholding structure

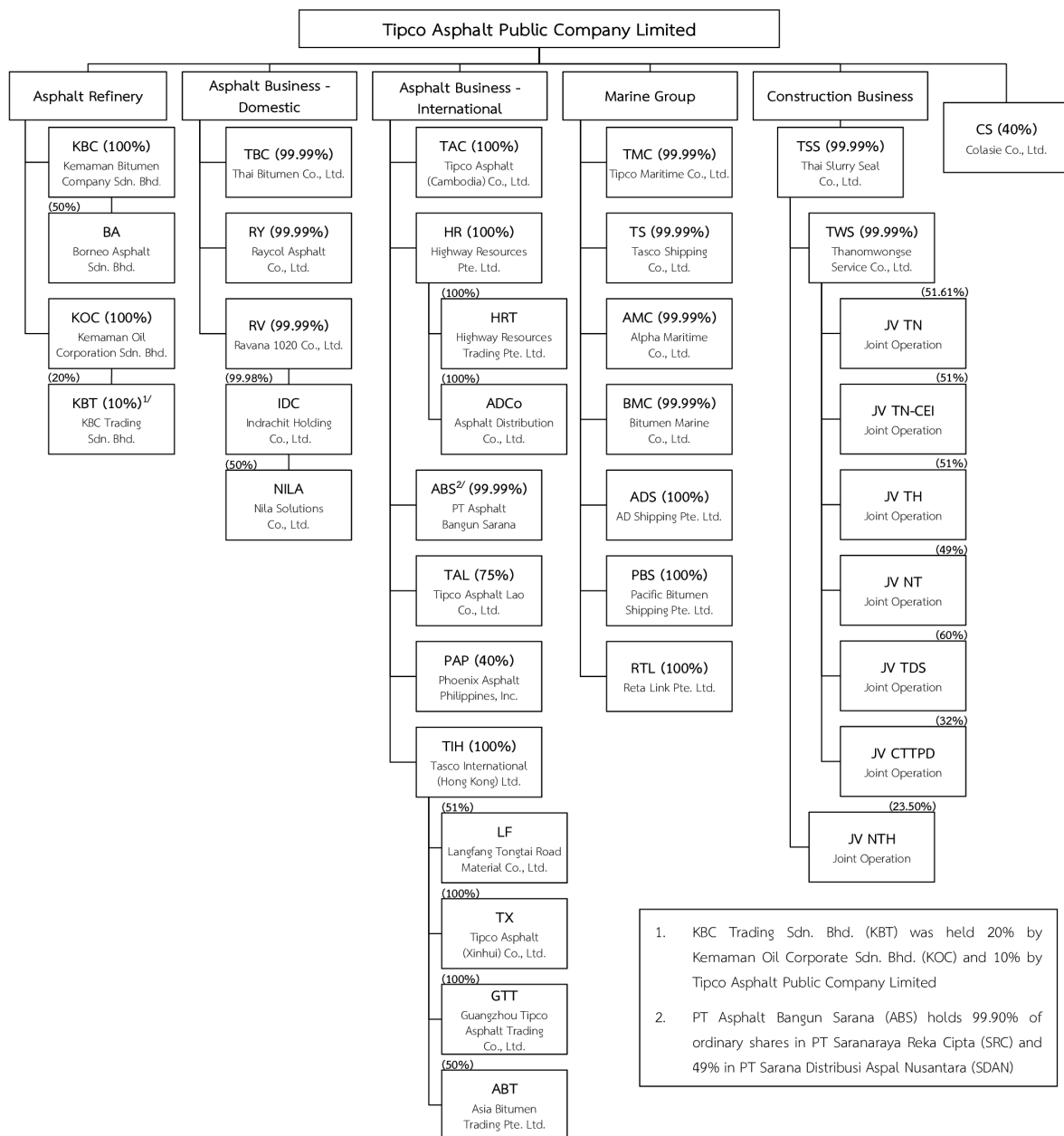
1.3.1 Shareholding structure of the group of companies

Policy on operational organization within the group of companies

Tipco Asphalt Group is consisted of total 38 companies which are divided into 5 types of business: Asphalt Refinery, Asphalt Business - Domestic, Asphalt Business - International, Marine Business, and Construction Business.

Shareholding diagram of the group of companies

Shareholding diagram



1. KBC Trading Sdn. Bhd. (KBT) was held 20% by Kemaman Oil Corporate Sdn. Bhd. (KOC) and 10% by Tipco Asphalt Public Company Limited
2. PT Asphalt Bangun Sarana (ABS) holds 99.90% of ordinary shares in PT Saranaraya Reka Cipta (SRC) and 49% in PT Sarana Distribusi Aspal Nusantara (SDAN)

Subsidiaries

Company name	Juristic person who holds shares of the company	Shareholding proportion (%)	Voting right proportion (%)
KEMAMAN BITUMEN COMPANY SDN. BHD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	100.00%	100.00%
KEMAMAN OIL CORPORATION SDN. BHD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	100.00%	100.00%
KBC TRADING SDN. BHD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	10.00%	10.00%
	KEMAMAN OIL CORPORATION SDN. BHD.	20.00%	20.00%
THAI BITUMEN CO., LTD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	99.99%	99.99%
RAYCOL ASPHALT CO., LTD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	99.99%	99.99%
RAVANA 1020 CO., LTD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	99.99%	99.99%
TIPCO ASPHALT (CAMBODIA) CO., LTD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	100.00%	100.00%
HIGHWAY RESOURCES PTE. LTD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	100.00%	100.00%
PT ASPHALT BANGUN SARANA	TIPCO ASPHALT PUBLIC COMPANY LIMITED	99.99%	99.99%
TIPCO ASPHALT LAO COMPANY LIMITED	TIPCO ASPHALT PUBLIC COMPANY LIMITED	75.00%	75.00%
TASCO INTERNATIONAL (HONGKONG) LIMITED	TIPCO ASPHALT PUBLIC COMPANY LIMITED	100.00%	100.00%
TIPCO MARITIME CO., LTD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	99.99%	99.99%
TASCO SHIPPING CO., LTD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	99.99%	99.99%
ALPHA MARITIME CO., LTD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	99.99%	99.99%
BITUMEN MARINE CO., LTD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	99.99%	99.99%
AD SHIPPING PTE. LTD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	100.00%	100.00%
PACIFIC BITUMEN SHIPPING PTE. LTD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	100.00%	100.00%
RETA LINK PTE. LTD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	100.00%	100.00%

Company name	Juristic person who holds shares of the company	Shareholding proportion (%)	Voting right proportion (%)
THAI SLURRY SEAL CO., LTD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	99.99%	99.99%

Associated companies

Company name	Juristic person who holds shares of the company	Shareholding proportion (%)	Voting right proportion (%)
COLASIE CO., LTD.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	40.00%	40.00%
PHOENIX ASPHALT PHILIPPINES INC.	TIPCO ASPHALT PUBLIC COMPANY LIMITED	40.00%	40.00%

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

Name and the location of the head office	Type of business	Type of shares	The number of shares	The number of shares sold
COLASIE CO., LTD. 4 Rue Jean Mermoz 78114 Magny-Les-Hameaux, France Telephone : - Facsimile number : -	Holding company for investment in Asphalt Emulsion and Polymer Modified Asphalt plants in India	Common shares	1,000,000	1,000,000
PHOENIX ASPHALT PHILIPPINES INC. 17th Floor, UDENNA Towers, Corner Rizal Drive and 4th Avenue, Bonifacio South District, Fort Bonifacio Global City, Taguig, Metro Manila, Philippines Telephone : +632 403 4013 Facsimile number : -	Importer and manufacturer, sell and distribute of asphalt and related products	Common shares	275,000,000	275,000,000
KEMAMAN BITUMEN COMPANY SDN. BHD. Suite 12-1, Level 12, Tower 6, UOA Business Park No.1, Jalan Pengaturcara U1/51A, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia Telephone : +603 5561 8500 Facsimile number : -	Producer, refiner, supplier and distributor of asphalt and oil products in Malaysia	Common shares	305,600,000	305,600,000
KEMAMAN OIL CORPORATION SDN. BHD. Suite 12-1, Level 12, Tower 6, UOA Business Park No.1, Jalan Pengaturcara U1/51A, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia Telephone : +603 5561 8500 Facsimile number : -	Manufacturer, storer, tank rental, distributor of petroleum and oil products and as investment holding company in Malaysia	Common shares	152,000,000	152,000,000

Name and the location of the head office	Type of business	Type of shares	The number of shares	The number of shares sold
KBC TRADING SDN. BHD. Suite 12-1, Level 12, Tower 6, UOA Business Park No.1, Jalan Pengaturcara U1/51A, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia Telephone : +603 5561 8500 Facsimile number : -	Supplier and distributor of asphalt product	Common shares	300,000	300,000
THAI BITUMEN CO., LTD. 123 Moo 3, Surat Thani - Kanchanadit Road, Bang Kung, Muang Surat Thani District Surat Thani 84000 Telephone : +66 7795 3030 Facsimile number : -	Producer and distributor of asphalt product	Common shares	3,750,000	3,750,000
RAYCOL ASPHALT CO., LTD. 118/1 Rama 6 Road, Phaya Thai, Phaya Thai District Bangkok 10400 Telephone : +66 2273 6000 Facsimile number : -	Producer and distributor of asphalt product	Common shares	11,100,000	11,100,000
RAVANA 1020 CO., LTD. 118/1 Rama 6 Road, Phaya Thai, Phaya Thai District Bangkok 10400 Telephone : +66 2273 6000 Facsimile number : -	Construction related materials, machine, and service	Common shares	800,000	800,000
TIPCO ASPHALT (CAMBODIA) CO., LTD. OHK tower, 6th floor (L06-02), Street 110 and Corner Street 93, Phum 3, Sangkat Srah Chak, Khan Daun Penh, Phnom Penh Telephone : +855 511 8337 1939 Facsimile number : -	Importer, manufacturer, distributor of asphalt- relate product	Common shares	1,000	1,000
HIGHWAY RESOURCES PTE. LTD. 9 Straits View #12-07/12, Marina One West Tower, Singapore 018937 Telephone : +65 6249 5941 Facsimile number : -	Holding Company for investments in Singapore and Vietnam	Common shares	4,780,000	4,780,000
PT ASPHALT BANGUN SARANA Head Office Gedung Graha Pratama, 19th Floor, Jl. MT. Haryono Kav. 15, Jakarta 12810, Indonesia Telephone : +62 2 1837 09516 Facsimile number : -	Importer, storer, manufacturer, distributor of asphalt and asphalt-related product	Common shares	8,397	8,397
TIPCO ASPHALT LAO COMPANY LIMITED Xoknoy Village, Saysettha District, VIENTIANE, LAOS Telephone : +856 2 1262 8723 Facsimile number : -	Producer and distribution of asphalt product	Common shares	2,500,000	2,500,000

Name and the location of the head office	Type of business	Type of shares	The number of shares	The number of shares sold
TASCO INTERNATIONAL (HONGKONG) LIMITED Room 1103-12, 11th Floor, Nan Fung Tower, 88 Connaught Road Central, Hong Kong Telephone : +852 2532 3108 Facsimile number : -	Holding company for investments	Common shares	97,966,000	97,966,000
TIPCO MARITIME CO., LTD. 118/1 Rama 6 Road, Phaya Thai, Phaya Thai District Bangkok 10400 Telephone : +66 2273 6000 Facsimile number : -	Ship management and agency	Common shares	20,000	20,000
TASCO SHIPPING CO., LTD. 118/1 Rama 6 Road, Phaya Thai, Phaya Thai District Bangkok 10400 Telephone : +66 2273 6000 Facsimile number : -	Marine transportation	Common shares	2,900,000	2,900,000
ALPHA MARITIME CO., LTD. 118/1 Rama 6 Road, Phaya Thai, Phaya Thai District Bangkok 10400 Telephone : +66 2273 6000 Facsimile number : -	Marine transportation	Common shares	1,430,000	1,430,000
BITUMEN MARINE CO., LTD. 118/1 Rama 6 Road, Phaya Thai, Phaya Thai District Bangkok 10400 Telephone : +66 2273 6000 Facsimile number : -	Marine transportation	Common shares	1,500,000	1,500,000
AD SHIPPING PTE. LTD. 9 Straits View #12-07/12, Marina One West Tower, Singapore 01893 Telephone : +65 6249 5941 Facsimile number : -	Marine transportation	Common shares	7,125,000	7,125,000
PACIFIC BITUMEN SHIPPING PTE. LTD. 9 Straits View #12-07/12, Marina One West Tower, Singapore 01893 Telephone : +65 6249 5941 Facsimile number : -	Marine transportation	Common shares	39,500	39,500
RETA LINK PTE. LTD. 9 Straits View #12-07/12, Marina One West Tower, Singapore 01893 Telephone : +65 6249 5941 Facsimile number : -	Shipping agencies and ship owners	Common shares	50,000	50,000
THAI SLURRY SEAL CO., LTD. 118/1 Rama 6 Road, Phaya Thai, Phaya Thai District Bangkok 10400 Telephone : +66 2273 6000 Facsimile number : -	Road construction and maintenance service	Common shares	4,973,334	4,973,334

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

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

1.3.3 Relationship with major shareholders' business

Does the company have a relationship with a business group of a major shareholder? : Yes

The Company's major shareholders are divided into two groups. The first group is Tipco Foods Plc. and the Supsakorn family, the founding shareholders. The other group is Colas S.A. of France, the world leader in construction and maintenance of transport infrastructure. Colas became a 22.7% strategic shareholder of the Company in 2000. Shareholding currently stands as 31.09%.

Through a Technical Assistance Agreement, the Company receives assistance on asphalt technology from Colas, including access to the latter's central asphalt research and development center in France, and to specialty asphalt products formulations and application techniques.

1.3.4 Shareholders

List of major shareholders ⁽¹⁾

The Company's top 13 major shareholders as of 31 December 2024 are as follows:

Group/List of major shareholders	Number of shares (shares)	% of shares
1. BNP PARIBAS SECURITIES (ASIA) LTD-FOR COLAS	490,731,040	31.09
2. TIPCO FOODS PUBLIC COMPANY LIMITED	364,081,660	23.07
3. บริษัท Thai NVDR Company Limited	132,573,479	8.40
4. NORTRUST NOMINEES LIMITED-NTC-RE IEDU UCITS 10 PCT CLIENTS ACCOUNT	40,059,600	2.54
5. MR. SOMCHIT SERTTHIN	31,000,000	1.96
6. SOUTH EAST ASIA UK (TYPE C) NIMINEES LIMITED	24,026,428	1.52
7. MISS ROUMSIN SUPSAKORN	19,000,000	1.20
8. MR. SITTILARP SUBSAKON	14,000,000	0.89
9. น.ส. ปิยะรัตน์ ทรัพย์สาคร	12,000,000	0.76
10. นาย พิชิต เลิศดำหรับ	10,383,500	0.66
11. น.ส. อลิดา เศรษฐิน	9,000,000	0.57
12. น.ส. ลักขณา ทรัพย์สาคร	8,233,000	0.52
13. กองทุนเปิด กรุงศรีหุ้นปันผล	8,063,100	0.51

Remark : ⁽¹⁾ Shareholders of Thai NVDR Co., Ltd., who hold non-voting depository receipts (NVDR) in No. 3, are ineligible for voting at shareholders' meetings except when exercising their voting rights on delisting the shares from SET.

Major shareholders' agreement

Does the company have major shareholders' : No
agreements?

1.4 Amounts of registered capital and paid-up capital

1.4.1 Registered capital and paid-up capital

Registered capital and paid-up capital

Registered capital (Million Baht)	:	1,578,361,570.00
Paid-up capital (Million Baht)	:	1,578,361,570.00
Common shares (number of shares)	:	1,578,361,570
Value of common shares (per share) (baht)	:	1.00
Preferred shares (number of shares)	:	0
Value of preferred share (per share)	:	0.00

Has the company listed in other stock exchange?

Has the company listed in other stock exchange? : No

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

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

1.4.3 Shareholding by Thai NVDR Company Limited (NVDR)

Are shares held by Thai NVDR Company Limited (NVDR)? : Yes

Number of shares (Share) : 132,573,479

Calculated as a percentage (%) : 8.40

The impacts on the voting rights of the shareholders

Non-Voting Depository Receipts (NVDR) holders receive financial benefits similar to those of shareholders in a listed company. However, they do not have voting rights in shareholder meetings. This includes decisions on the approval of annual financial statements, allocation of net profits and dividend payments, appointment and remuneration of board members, appointment of auditors and audit fees, as well as other significant matters proposed by the board to the extraordinary general meeting of shareholders.

1.5 Issuance of other securities

1.5.1 Convertible securities

Convertible securities : No

1.5.2 Debt securities

Debt securities : No

1.6 Dividend policy

The dividend policy of the company

The Company follows a policy of paying dividends of at least 60% of the consolidated financial statements' net profit for each fiscal year. However, the actual dividend payment depends on cash flow, the investment plan of the Company, the terms and conditions of agreements entered by the Company, together with all other conditions of necessity and suitability in the future.

The dividend policy of subsidiaries

Tipco Asphalt Public Company Limited and its subsidiaries (the Group) are committed to practicing good corporate governance principles in conducting its business based on a philosophy of sustainable development. To ensure that the Group's shareholders are receiving the highest standard of consideration and maximum benefits from the investments made in the Group's subsidiaries, the following dividend payment policy is to be followed by all subsidiaries of the group.

1. All subsidiaries, who maintain a positive net cash position at the end of each financial year must pay an annual dividend of at least 60% of the financial year's net profit after tax deductions and reserves to their respective shareholders.
2. Such dividend payments will be made after taking into consideration the investment plan of each subsidiary for the following financial year.
3. The Group CFO will have the final discretion.

Historical dividend payment information

	2020	2021	2022	2023	2024
Net profit per share (baht : share) ⁽²⁾	2.2800	1.4100	1.5000	1.4600	0.9000
Dividend per share (baht : share)	1.6000	1.0500	1.2500	1.2500	0.9000
Ratio of stock dividend payment (existing share : stock dividend)	0.0000	0.0000	0.0000	0.0000	0.0000
Value of stock dividend per share (baht : share)	0.0000	0.0000	0.0000	0.0000	0.0000
Total dividend payment (baht : share)	1.6000	1.0500	1.2500	1.2500	0.9000
Dividend payout ratio compared to net profit (%)	70.00	75.00	83.00	86.00	100.00

Remark : ⁽²⁾ The dividend payment at THB 0.90/share is subject to the shareholders' approval at the 2025 AGM

2. Risk management

2.1 Risk management policy and plan

Risk management policy and plan

Tipco Asphalt Public Company Limited and its subsidiaries (“the Group”) are committed to Enterprise Risk Management (ERM) practices, evidenced by our formalized processes to identify, assess, monitor, manage, and review risk exposure so that we can calibrate our corporate strategies and business decisions within an acceptable risk appetite. The Group adopts organization-wide risk management as an integral part of its organizational culture to minimize the likelihood and impact of risks and mitigate potential losses, while capitalizing on new potential business opportunities and creating sustainable values.

The Group’s business models and operations are designed for resilience against risk factors, business disruptions and market volatility. As a result, identifying and managing key potential risks are at the core of our business practices. The Group has adopted its Enterprise Risk Management (ERM) practice since 2012. The ERM practice mainly focuses on identifying and assessing uncertainties associated with strategic, operational and business objectives. It follows the guidance of the Committee of Sponsoring Organizations of the Treadway Commission (“COSOERM”) and ISO31000: 2018 Risk Management guideline, which emphasizes effective ERM execution through risk governance, linkages with strategy and operational performance, risk reviews, and regular communication and reporting. So far, the Group has already implemented risk management practices across all existing units/entities in Thailand, its maritime business, local plants, truck logistics units, its refinery facility in Malaysia, and a joint venture company in Singapore. In 2020 and 2021, the scope was broadened to include subsidiaries in Vietnam and Indonesia. In 2022 and 2023, ERM exercises were extended to include our construction business and subsidiary in Cambodia. In addition, the first ERM training session was conducted for our joint venture company in the Philippines. In 2024, ERM exercises were extended to our subsidiary in Laos, Tipco Asphalt Lao Co., Ltd.

The Group has continued to deploy ERM practices across all its offshore subsidiaries and businesses in which it has significant investment

The Enterprise Risk Management Policy was formulated in accordance with the Group’s business goals, strategies and corporate risk appetite. The Policy applies to all entities across the Group, and helps our businesses cope with all kinds of challenges by identifying early warning signals through impact and likelihood assessments and Key Risk Indicators, and by implementing effective risk mitigation plans which are monitored and reviewed on a regular basis. The Enterprise Risk Management Policy is set to be reviewed on annual basis. The policy was most recently reviewed by the Risk Management Committee in October 2024.

Enterprise Risk Management Culture

The Group endeavors to cultivate a culture of risk management and to enhance results through the implementation of enterprise-wide risk management practices. As such, the Group’s ERM structure was conscientiously designed in compliance with good corporate governance principles and with the Risk Management Policy. The Risk Management Committee (“RMC”) was first established under the auspices of the Board of Directors and the Executive Committee (“EC”), to ensure that principal and substantial risks to the Group are identified through a thorough assessment of internal and external disruptive factors. It was also designed to encourage all related stakeholders to follow prudent risk management practices, and to help them be prepared for all possible scenarios. Established by the RMC in 2015, the Risk Management Office (“RMO”) facilitates and exercises adequate oversight of the risk management practices employed by each of the respective business units. The RMO works proactively with the respective business unit (“BU”) leaders Risk Champions, and Risk Officers to ensure the effective implementation of risk management processes and internal controls, including risk management training and communication across the Group. In 2024, RMC conducted a sharing session relating ERM to employees of subsidiaries in Thailand and Malaysia.

Risk Monitoring Tool

As part of the ERM practice, each risk is identified, updated and assessed in risk registers pertaining to each BU. Risk information includes objective, risk description, internal/ external context, risk category (according to COSO ERM classification; i.e., operational, strategic, reporting and compliance), internal risk control measures (and their effectiveness), risk assessment (impact/likelihood), Key Risk Indicators (“KRI”) together with sensitivity analysis conducted on key risks. RMO asks each BU to provide key risks and KRI updates on a quarterly basis. Results are then analyzed and shared in the Quarterly Risk Report, which is submitted to the RMC, the EC and ultimately to the Board of Directors for acknowledgement.

Link for risk management policy and plan : https://www.tipcoasphalt.com/wp-content/uploads/2021/12/2023_EN_Annoucement-No.-7_2023-Enterprise-Risk-Management-Policy-signed.pdf

2.2 Risk factors

As an important part of the Enterprise Risk Management (ERM) practice, the Risk Management Committee (RMC) collectively identified a set of likely key corporate risks that could impact the Group at the corporate level. These top corporate risks were first identified in late 2017 and have been re-assessed yearly in RMC meetings, with a corresponding set of effective internal risk controls designed for careful implementation as part of risk mitigation to ensure business resilience. The risks were then presented to the Board of Directors for acknowledgement and approval.

To maintain our dynamic risk management practice, the Group conducts comprehensive risk reviews every two years to fully reflect potential risks in ever-evolving business environments and market conditions. Results are updated and communicated in the Quarterly Risk Report, submitted to the RMC, the EC and ultimately to the Board of Directors. The first round of comprehensive reviews was conducted in 2020 and the second in 2022. In 2022, Tipco Asphalt Public Company Limited was audited by an independent certifying body (MASCI) on the application of the ISO31000: 2018 Risk Management guideline for integration of enterprise risk management practices in the organization. From 2022 onwards, ERM exercise work implementation has been extended to the Group's subsidiary in Cambodia and construction business. In 2024, ERM was rolled out to its subsidiary in Laos.

In addition, the RMO conducted a series of risk management follow-ups and trainings to ensure our operations remain fully resilient with an ERM practice that adequately reflects and accounts for current market situations, rapid changes in economic landscapes, and climate change risk management in accordance with International Financial Reporting Standards IFRS S2 Climate-related Disclosures.

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

Risk 1 Uncertainty associated with crude supply availability.

Related risk topics : Strategic Risk

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

Risk characteristics

Our asphalt production requires specific types of crude with relatively high sulfur content which can only be procured from a select few crude sources.

Risk-related consequences

The Group relies on a small handful of sources for heavy crude oil supply, which contributed to crude supply uncertainty. This potentially affects both our refinery operations and international trading businesses.

Risk management measures

- Source commercial-viable alternative crude/ feedstocks from oil producers and oil trading companies to ensure the non-interrupted operations of our refinery facility.
- Procure asphalt cement directly from regional refineries to support our international trading activities.

Risk 2 Asphalt Cement (AC) Supply Risk

Related risk topics : Operational Risk

- Shortage or fluctuation in pricing of raw materials or productive resources

Risk characteristics

Fluctuations in AC supply and demand balances are potentially resulting in supply shortages.

Risk-related consequences

Shortage in AC supply can result in less asphalt sales volume.

Risk management measures

- Procure AC from Group's own refinery in Malaysia
- Maintain good relationships with all refineries in Asia to maintain regular supply contracts.

Risk 3 Refinery Operating Risk: Environmental Risk

Related risk topics :

Operational Risk

- Impact on the environment

Risk characteristics

Refinery operations pose significant environmental risks due to the processing, handling, and storage of large quantities of crude oil and other hazardous materials. Accidental spills, leaks, or emissions can release a variety of pollutants into the environment.

Risk-related consequences

Air emissions from sources such as process heaters, flares, and storage tanks can contain particulate matter, sulfur dioxide (SO₂), nitrogen oxides (NO_x), and volatile organic compounds (VOCs), contributing to smog, acid rain, and respiratory problems.

Wastewater discharges may contain oil, grease, heavy metals, and other chemicals that can contaminate rivers, lakes, and groundwater, harming aquatic life and potentially impacting drinking water sources. Spills or leaks of crude oil or refined products can contaminate the soil and groundwater, leading to long-term environmental damage and requiring extensive remediation efforts. Chronic, low-level releases of pollutants can also contribute to long-term environmental degradation and potential health effects.

Risk management measures

Our refinery implements stringent environmental controls, effective waste management, health and safety measures, and ongoing monitoring to reduce their environmental impact as follows:

- The refinery operates in total compliance with local environmental legislations and other related international conventions and protocols and upholds stringent environmental standards.
- All emissions and effluent discharges are managed in accordance with the Company's Health, Safety, Security, Environment ("HSSE") Commitment and Policy, and KBC strives for the continuous improvement of its operations with regards to the environment.
- The Company continues to operate by adhering to best practices as reflected in its certifications, namely the ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 Occupational Health and Safety Management System, which have all been renewed following a thorough externally conducted audit.
- Implement a corrosion management program to prevent leaks caused by corrosion of pipes, tanks, and other equipment.

Optimize combustion processes in heaters and boilers to minimize emissions of NO_x, SO₂, and particulate matter.

- Implement energy efficiency measures to reduce overall fuel consumption.
- Implement water conservation measures to reduce the volume of wastewater generated
- Implement procedures to minimize the generation of hazardous waste through process optimization and material substitution.
- Conduct regular monitoring of air emissions, wastewater discharges, and groundwater quality to ensure compliance with permit limits and identify potential problems. Utilize continuous emissions monitoring systems (CEMS) for key air pollutants.

Risk 4 Refinery Operating Risk - Safety

Related risk topics :

Operational Risk

- Safety, occupational health, and working environment

Risk characteristics

Refinery operations involve handling flammable materials, toxic chemicals, and complex processes. Process control failures, mechanical breakdowns, aging equipment, human error, and confined space hazards can result in safety incidents and environmental damage.

Risk-related consequences

- Safety incidents: Fires and catastrophic explosions
- Environmental damage: Air quality, contaminating soil and groundwater, and harming aquatic life.
- Acute or chronic health effects, including respiratory problems

Risk management measures

Effective mitigation requires stringent safety protocols, regular maintenance, advanced monitoring systems, and comprehensive worker training as follows:

- Conduct Failure Mode and Effects Analysis (FMEA) on critical equipment and systems to proactively identify potential failure modes, their causes, and their effects on system performance, identified key areas of concern.
- Address the highest-risk items identified in the FMEA and Turnaround inspections as a top priority.
- Regularly review and update the FMEA (e.g., every 3-5 years or after significant incidents or process changes) to ensure it remains current.
- Implement repairs, replacements, or upgrades of critical components showing signs of corrosion, fatigue cracking, or degradation, especially in pressure vessels and safety systems. Ensure all work is carried out to required standards and properly documented.

Risk 5 Risk related to Domestic Market

- Related risk topics : Strategic Risk
- Government policy

Risk characteristics

Most of the asphalt demand remains closely linked to Thai government policies and annual budget allocations for infrastructure development projects. Asphalt demands generally are impacted by government stability as well as the 20-year National Economic and Social Development Plan.

Risk-related consequences

Throughout the fiscal year 2024, the Thai government's main focus remained on infrastructure developments, including road construction, repair, and maintenance. Nevertheless, the prolonged general election and slow government formation led to delays in government budget disbursement during Q1 and Q2 of 2024 (with normal condition resuming from Q3 2024 onwards). These delays directly impacted our revenue, which began to recover in late Q2 of 2024. Looking ahead to 2025, the situation is expected to stabilize and return to normal.

Risk management measures

Establishing market intelligence systems to monitor market conditions and ensure consistent asphalt supply availability as sales volumes recover.

Risk 6 Risk Related to International Business

- Related risk topics : Strategic Risk
- Government policy

Risk characteristics

Asphalt demand in South-East Asia declined, with regional imports falling by 11%. This decrease was primarily driven by slower regional road construction activity, which was attributed to delayed budget disbursements and postponements of key national projects. In particular, demand in Australia subdued due to limited funding and high inflationary pressures.

Geopolitical tensions in the Middle East added uncertainty to the oil markets. Fluctuations in fuel oil prices have exerted additional downward pressure on asphalt prices.

Risk-related consequences

The significant drop in overall demand and price competition from Middle Eastern asphalt have adversely affected profit from international markets.

Risk management measures

Establishing market intelligence systems to monitor market conditions and ensure consistent asphalt supply availability as sales volumes recover.

Risk 7 Risk related to Maritime Business

- Related risk topics : Operational Risk
- Shortage or reliance on skilled workers
 - Safety, occupational health, and working environment
 - Impact on the environment

Risk characteristics

The Group owns and operates eight asphalt carriers that are managed by an in-house professional and innovative management team. We focus on maintaining high-quality tonnage through a clear shipping strategy, and prudent sales and purchases. The current quality tonnage maintained by the Group suitably supports its increased sales activities in the Asia Pacific and Australia regions, thus reducing the risk associated with capacity constraints.

The Marine Group operates with the mission of zero accidents, zero injuries and zero oil spills. In addition, our assets are insured by first-class insurance companies. The business involves transporting petroleum which carries a unique set of inherent risks that pose threats to

- 1) environmental impacts of air pollution from the energy-intensive nature of shipping operations contributes to high global greenhouse gas (GHG) emissions which are a significant concern in the maritime industry;
- 2) the safety of crew members navigating the open seas. In addition, given the unique requirements of entering the Marine industry, there remains a shortage of well-trained seagoing personnel.

Risk-related consequences

The biggest challenge faced by the industry came from stringent IMO GHG reductions environmental regulations, which saw world fleets get assessed by Governing Bodies for their environmental footprint, energy efficiency, and carbon intensity indicator.

Given the risk on personnel, the Marine Group continues to make efforts in training and developing its seafarers to properly mitigate this challenge.

Risk management measures

The Marine Group successfully implemented the required operational and technical improvements to mitigate existing and upcoming IMO GHG emissions regulations. Its Fleet Energy Efficiency Existing Index (EEXI) was measured and certified by a Regulatory Body and the Carbon Intensity Indicator (CII) of all its ships is calculated yearly, with a resulting rating that has placed the Tipco Asphalt ship fleet in a superior performance zone compared to its competitors.

- Installation of Propeller Boss Cap and Main Engine Power Limitation devices for better fuel consumption
- Optimization of Laden-Ballast ratio voyages to further reduce CII (carbon intensity index)
- Installation of modern machinery lubrication systems, as well as LED lighting on board all vessels for less energy consumption.
- Installation of the most modern anti-fouling hull coatings (60 months scheme) for better hull energy efficiency

Concerning human capital, the Marine Group enhance training and provide benefit as follows:

- Enhanced training for Tipco Maritime Seafarers (both Thai and International) with 3D animated training and AI Avatar videos by TRACE computer-based training (CBT) and DynamICA competency assessment platform.
- Enhanced benefits for Seafarers onboard with state-of-the-art Starlink satellite communication systems and improved living standards through physical and mental support activities

Risk 8 Financial Risks

Related risk topics :

Financial Risk

- Default on payment or exchange of goods
- Fluctuation in exchange rates, interest rates, or the inflation rate
- Liquidity risk

Risk characteristics

The Group's business activities are exposed to various financial risks, including those related to credit, liquidity, foreign currency, and interest rates. The Group employs various financial instruments to manage identified financial risks but does not use financial instruments for trading or speculative purposes.

The Group's Finance Department operates as a service center, providing treasury advice, funding, and risk management assistance. It also liaises with financial institutions and manages financial risks related to the Group's overall operations to ensure that Tipco Asphalt's strategic objectives are met. The use of financial instruments is strictly controlled by policies approved by the Board of Directors. The policies provide specific instructions relating to financial risk management, which include credit and liquidity, foreign currency, and interest rates risks.

Risk-related consequences

The risks may affect funding availability, cost management, and resource allocation, potentially influencing the Group's ability to achieve its strategic objectives and maintain operational efficiency. Over time, such challenges could undermine the Group's market competitiveness and long-term stability, while also posing potential obstacles to growth and sustainability. This underscores the importance of maintaining robust financial oversight and implementing adaptive risk management strategies to mitigate potential adverse effects.

Risk management measures

Credit Risk:

- The Group's credit policy is regularly reviewed and updated, and our exposure to credit risk is closely monitored on an ongoing basis.
- Credit reviews and evaluations are performed on all customers, while credit approvals are based on delegated limits of authority by credit committees.
- Sales collections have decreased from 2023 due to prolonged effects from delayed government disbursement of fiscal budget for infrastructure development projects. The Group works closely with its customers to maintain its collection target and to solicit more collateral from customers than in preceding years.

Liquidity Risk:

The Group operates under unsecured short-term trade and working capital facility arrangements with reputable local and international banks that have a combined limit of over Baht 38 billion or USD 1.10 billion. This amount is more than enough to support higher financing requirements for crude purchases in the event of high crude prices and minimizes the Group's liquidity risk as a result.

Foreign Currency Risk: The Group is exposed to foreign currency risk borne from export revenue, purchase of raw materials, and long-term CAPEX commitment. The risk is adequately mitigated through forward contracts booked for identified foreign currency exposures.

Interest rate Risk: The Group considers its interest rate risk to be significant only for long-term loans. It has the option to hedge the risk with interest rate swaps when it chooses to minimize the exposure.

Risk 9 ESG Risks

- Related risk topics : Strategic Risk
- ESG risk

Risk characteristics

Environmental Risks

Our environmental risks focus on business operations and transportation activities. Key risks identified were pollution, greenhouse gas emissions, climate crisis, wastewater management, and product spillage.

Social Risks

Social risks were identified in relation to the health and safety of public road transportation and related employees. Human rights violations risks for businesses include legal, financial, and reputational consequences from issues like forced labor, discrimination, and unsafe conditions. Proactive policies and ethical practices help mitigate these risks.

Governance Risks

Governance is one of our SD foundations. RMO has identified some governance risks; for instance, corruption risk.

Risk-related consequences

Environmental Risks

The environmental risks, which are pollution, greenhouse gas emissions, climate crisis, wastewater management, and product spillage have significant environmental, health-related, regulatory, and business impacts.

- Pollution and wastewater mismanagement can contaminate ecosystems and pose health hazards, leading to legal penalties and reputational damage.
- Greenhouse gas emissions contribute to climate change, resulting in extreme weather events, resource scarcity, and regulatory scrutiny. The climate crisis disrupts supply chains and increases operational costs, while product spillage causes environmental

harm, cleanup expenses, and legal liabilities.

Collectively, these risks threaten sustainability, financial stability, and long-term business viability.

Social Risks

The social risks related to public road transportation and employee health include accidents, injuries, and fatalities from inadequate safety measures, or unsafe working conditions. Employee risks involve exposure to hazards, lack of safety protocols, and inadequate medical support. These risks can result in legal liabilities, reputational harm, higher insurance costs, and workforce disruptions. Mitigating these risks requires investing in safety protocols, health initiatives, and infrastructure improvements to protect both the public and employees. Violations Human rights violations are another key social risk we prioritize. We identified certain risks associated with relevant stakeholders, and potential areas of concern caused by our business operations across the value chain through risk reviews and human rights due diligence. Examples of potential human rights violation risks identified include the fair treatment of employees and protection of the livelihood of local communities.

Governance Risks

Corruption risk can harm a business through legal penalties, reputation damage, and loss of trust from stakeholders while also affecting employee morale and creating a toxic work environment. Overall, corruption undermines long-term growth and sustainability.

Risk management measures

Environmental Risks

- Our Integrated Management System Policy: we implemented our environmental management system according to the ISO 14001 Environmental management systems, and greenhouse gas emissions management according to the Greenhouse Gas Protocol and Global Reporting Initiative (GRI).
- Several control points have been implemented to reduce the environmental impact of our business activities. These include reducing energy loss in our systems, the use of alternative fuel, and improvements in machine use and other processes to reduce energy consumption, greenhouse gas emissions, pollution, potential accidents, and product spillage.
- We adopted a waste management system following the 3Rs concept (Reduce, Reuse and Recycle) to reduce waste and reuse recycled water.

Social Risks

- For public road safety, we are certified with the ISO39001 standard on Road Traffic Safety (RTS) management across all of our 5 plants in Thailand and Centralized Logistics office.
- Prior to all delivery trips, each shipment must adhere to a “Check before drive” and “Travel plan” control, while our outsourced logistic service providers are required to fully comply with our safety procedures.
- Employee occupational health and safety is our top priority. Safety risk assessments are conducted throughout all activities, with mitigation plans and preventative actions in place. For instance, safety training or Unsafe Act/ Unsafe Condition (UA/UC) surveys by Frontline employees are conducted under the current Integrated Management System Policy.
- Human Rights Violations: We assessed potential risk exposure and relevant stakeholders across several units while turning our attention to developing risk controls.
- Measures to ensure fair treatment of employees include welfare provision to ensure employee safety, good health, and career development through human capital initiatives and internal communication channels. -
- We also collaborated with local communities and business partners to improve their livelihood and safety through Corporate Social Responsibility (CSR) activities promoting awareness of public road safety, and public health, while making sure to preserve the environment of the local communities near our plants. -
- In line with Thailand’s Personal Data Protection Act (“PDPA”), effective from June 2022, the Group has implemented several controls to mitigate the risks of data privacy breaches. These measures include improvements to our IT data securities system and access, the development of key documents, and the implementation of a data privacy policy including the appointment of a Data Protection Officer (DPO) for the Group.

Governance Risks

- The Company closely monitors business activities with potential exposure to corruption risks while conducting risk assessments on relevant business units. Effective internal control measures and work procedures are then implemented in accordance with our Anti-Corruption Policy and Anti-Corruption Guideline Manual, with regular risk monitoring and reporting to the Risk Management

Committee.

- The Company has been recognized as a certified company by the CAC. It was first certified on 10 November 2017 and has since passed all subsequent recertifications on 30 June 2020 and 30 June 2023. This most recent certification is valid until 30 June 2026.

Risk 10 Risk Related to Information Technology and Cybersecurity

Related risk topics :

Operational Risk

- System disruption risk

Risk characteristics

Information Security Risk

The Group's increasing reliance on technology to support and enhance its operations may result in greater exposure to risks such as cyberattacks, and data breaches. These risks arise from the growing complexity of digital systems, the interconnectivity of networks, and the sophistication of cyber threats. Additionally, the need to comply with data privacy laws and regulations further underscores the importance of effectively managing and mitigating these vulnerabilities to safeguard sensitive information and maintain operational integrity.

Access Control Risk

The Group is exposed to risks related to access control, particularly unauthorized access to critical systems and sensitive information. These risks arise from potential vulnerabilities in authentication, mismanagement of user permissions, or lapses in access protocols.

Operations Security Risk

The Group's increasingly complex of IT systems heightens the risk of operational failure. Disruptions in information processing facilities or failures in system integration may impact daily operations and overall business performance.

Risk-related consequences

Information Security Risk

The Group is exposed to the potential impact of information security risks, which may result in operational disruptions, financial impact, and reputational damage.

Access Control Risk

Unauthorized access to sensitive information may lead to data breaches, operational disruptions, and compromised system integrity. It could also expose the Group to reputational damage, legal and regulatory issues, and financial losses.

Operations Security Risk

The increasing complexity of the Group's IT systems may lead to operational disruptions, affecting the efficiency of daily operations. Potential failures in system integration or processing facilities could result in delays, loss of productivity, and impact on overall business performance.

Risk management measures

Information Security Risk

- The Group has established its IT system and policy to ensure proper information security and management. The policy is regularly reviewed by both internal and external audit teams for improvements to its efficiency and effectiveness.
- The Group reviews all activities related to information security to ensure all information technology users within the domain of the Group and its networks comply with information technology security policy and guidelines.
- Our information security awareness program is one of the strategies we have developed and shared with all our information technology users to prevent and mitigate risk, and to help them understand the role they play in combatting information security breaches.
- In alignment with ISO/IEC 27001 standards, the IT department has conducted a comprehensive Risk Assessment Process. This process not only identifies and analyzes all information security risks but also defines the implications of these risks. Our Risk Treatment Plan (RTP) has been meticulously designed to effectively control and mitigate these identified risks.

Access Control Risk

- The Group's IT systems must be able to handle all internal and external threats. To prevent unauthorized access and to avoid compromise to our accounts, the IT department has developed enhanced protective technologies and identity management systems to mitigate all vulnerabilities and risks, while improving our processes.
- One of the IT department's key priorities is to restrict, monitor and protect the confidentiality, integrity and availability of the Group's resources and systems.
- All ERP accesses have been revised by our IT department and Business Process Owner ("BPO") to ensure that each role and responsibility is correct in accordance with business functional requirements.
- Access control is managed by our IT department under the Group's own robust policy and authority.
- Consistent with the requirements of ISO/IEC 27001, the IT department have established a secure area procedure to control physical access. This procedure ensures that only authorized personnel with the appropriate security privileges and job functions are granted access to restricted areas. This measure is crucial in safeguarding our physical infrastructure against unauthorized access and potential security breaches.

Operations Security Risk

- The Group's operations have expanded to include more information processing facilities that work in line with existing IT work instruction ("WI") processes. Nonetheless, the possibility of operation failure persists, as the Group has grown and become more complex and varied.
- Our IT department keeps improving the IT service management standard and enhancing the quality of Application Management Service projects ("AMS"). The AMS project will fully support Tipco Asphalt's new ERP system in its daily operations, and the IT department is focusing on new enhancements, automation processes, and data integration systems as part of our IT road map and strategic plan.
- Our IT department has diligently upgraded our Backup System and Business Continuity Procedures (BCP) to ensure a higher level of operational security and resilience. This proactive approach is designed to safeguard our daily operations from the risks associated with system failures.

Risk 11 Emerging Risk: Extreme Weather Events

Related risk topics : [Strategic Risk](#)
 • ESG risk

Risk characteristics

Extreme weather events, such as floods, wildfires, and severe storms, potentially pose significant risks to business operations by disrupting supply chains, damaging infrastructure, and affecting workforce availability.

Risk-related consequences

These extreme weather events, driven by the escalating impacts of climate change, can lead to operational downtime, financial losses, increased insurance costs, and legal or regulatory challenges. As climate change intensifies, more frequent and severe weather patterns, such as storms and floods, cause transportation delays, power outages, and raw material shortages, further disrupting productivity and service delivery. Employee safety concerns, particularly in the face of extreme temperatures and hazardous conditions, may also result in workforce shortages. Additionally, businesses may face reputational damage from disruptions and non-compliance with evolving climate-related and safety regulations in the future.

Risk management measures

The Company launched the International Financial Reporting Standard (IFRS) S2 Report in 2025 in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, to provide climate-related information on how the Company manages climate-related risks. Our IFRS S2 Report can be accessed via the company's website. In addition, the Company has developed climate strategies to effectively reduce GHG emissions from its asphalt business in Thailand, while also aiming to expand its coverage in the future. There are six main climate strategic projects under the climate strategies, as follows: 1) Solar Roof 2) Electric Vehicles and Electric Trucks 3) Fuel-Switching to LNG 4) Electrical Hot Oil Boiler with Solar Power 5) Specialized Logistic Partners 6) Afforestation. All of these climate strategies can be accessed via the company's website.

2.2.2 Risk to securities holders

Are there any risk factors affecting securities holders? : Yes

Risk 1 Risk related to major shareholders who hold more than 25%

Related risk topics : [Risk to Securities Holder](#)

- Return from investment of securities holder

Risk characteristics

The Company has two major shareholders. Each holds more than 25% of existing shares; namely, Colas. S.A., and Tipco Foods & Supsakorn Family, each of which holds 31% of total paid-up capital (as-end 2024).

Risk-related consequences

Such shareholders may veto any agenda in the annual general meeting requiring affirmative votes of no less than three quarters of the total votes of shareholders attending the meeting and entitled to vote.

Risk management measures

Nevertheless, pursuant to the Company's Articles of Association, resolutions in normal cases are passed by majority vote of shareholders attending the meeting and entitled to vote.

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

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

3. Sustainable Development

3.1 Policy and goals of sustainable management

Sustainability Policy

Sustainability Policy : Yes

The Group operates with an aim to achieving strategic goal (S6): to become a sustainable organization. Our sustainable development policies and strategies are formulated in line with the Group's corporate strategy, which serves as a blueprint for our business operations across economic & corporate governance, as well as our social and environmental pillars. We aspire to be a leading corporation that prioritizes innovation, sound safety standards, the well-being of our employees, responses to expectations of related stakeholders and communities, the perseverance of natural resources, and environmental sustainability, all of which we balance harmoniously across our business operations. Since 2018, the Group has established a sustainability roadmap which encompasses group-wide sustainability policies, strategies, goals and action plans. The roadmap was approved by the Board of Directors, and has served as the key driver to achieving our sustainable development vision by actioning concepts into practices

Reference link for sustainability policy : https://www.tipcoasphalt.com/wp-content/uploads/2021/12/Announcement-PolicysustainabilitydevelopmentpolicyEN_1620871312.04688.pdf

Sustainability management goals

Does the company set sustainability management goals : Yes

The Group has set objectives and targets for sustainable organizational management that align with both short-term and long-term business operations, as well as the main organizational strategic plan. This serves as a guideline for the organization's operations, covering all dimensions including economic, social, and environmental aspects, under the principles of good corporate governance. The company is committed to becoming a sustainable organization by emphasizing the use of innovation and conducting business with transparency, maintaining high standards of safety and hygiene for employees, and sharing with the community for a happy coexistence. This also includes the care and conservation of natural resources and the environment, as well as using these guidelines to continuously monitor the organization's efficiency and effectiveness in development. The goals are set according to the following strategies:

Innovation Leader (SDG8, SDG9)

Since 2018, the Group has integrated the creation of an innovation culture as part of its corporate strategy. This effort focuses on building a foundation of knowledge and understanding of innovation structures through activities such as the Innovative Solutions Award, which encourages employee-initiated innovation. Additionally, the company promotes training activities under the Innovation Bootcamp and the Innovation Accelerator programs, which aim to nurture and bring innovative ideas to market. Other initiatives include departmental and employee-driven projects (Small Wins) and the TPM Awards for Total Productive Maintenance, encouraging the development of business, social, and environmental innovations for sustainable development (Innovation for Sustainability). These efforts involve improving business processes using data-driven innovations to enhance service efficiency, aid decision-making, and facilitate data exchange between departments.

The Group has developed a systematic innovation plan, which has been in operation from 2021 and will continue until 2025. This plan focuses on inspiring and motivating innovation. In 2024, the goal is to develop employees' capabilities, fostering creativity through inter-departmental collaboration, enhancing efficiency, and integrating diverse skills from various departments. By 2024, the plan aims to build organizational capabilities to drive innovation in the company's operational areas and foster collaborative learning with business partners and external innovation creators.

Eco-Efficiency Operations (SDG6, SDG7, SDG12, SDG13)

The Group emphasizes operational efficiency while minimizing environmental impact. This is achieved through goals such as efficient energy use, pollution management, water and spill management, and waste management. Additionally, the Group aims to address climate change by reducing greenhouse gas emissions of asphalt business in Thailand compared to the 2020 baseline. These

efforts are part of the company's climate strategic projects, designed to mitigate business impacts and ensure sustainable and stable business growth.

Safety Awareness (SDG3)

The Group has a clear occupational health and safety policy with the objective and goal of reducing work-related accidents or illnesses to zero. This policy aims to create a suitable and safe working environment to ensure the well-being of employees, vendors, contractors, and other stakeholders involved.

Good Corporate Governance (SDG16)

The Group adheres to principles of good governance and transparency in its business operations. It has adopted recommendations on good corporate governance from the Stock Exchange of Thailand and other agencies, using governance assessment scores as a continuous improvement guide.

In terms of transparency, the Group has had an anti-corruption policy since 2019, declaring its commitment to combating fraud and misconduct within the organization. It has also created an anti-corruption handbook to communicate this policy to employees, subsidiaries, and stakeholders. Since March 4, 2016, the company's board has approved joining the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC), becoming a member on November 10, 2017.

The Company has consistently renewed its certification, with the latest renewal valid from June 2023 to June 2026. The Company also emphasizes and encourages employees to apply risk management principles and continuously improve operations according to the COSO ERM framework and ISO:31000 Risk Management standards.

Lastly, cybersecurity is a critical issue that businesses must not overlook, as data breaches can severely impact operations. Recognizing this importance, the Company has implemented ISO/IEC 27001 standards to systematically manage information security.

Value for the Future (SDG4, SDG8, SDG9)

The Group's vision for human resource management is to ensure that employees progress in their careers and enjoy personal happiness. This belief is rooted in the idea that employee well-being leads to business success, growth, and organizational sustainability. Employee satisfaction surveys are used as a valuable communication tool to analyze and find ways to improve and develop, as well as to support high-potential employees in developing the necessary skills and abilities for their work.

The Group invests in developing employees' capabilities by providing training, knowledge, and necessary resources. It also creates a safe working environment that fosters creativity and allows employees to work to their full potential. Performance indicators are set according to various operational plans to ensure development goals are met and to maximize benefits for employees. These benefits are also extended to the related communities.

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

Has the company reviewed the policy and/or goals of sustainable management over the past year : Yes

Has the company changed and developed the policy and/or goals of sustainable management over the past year : Yes

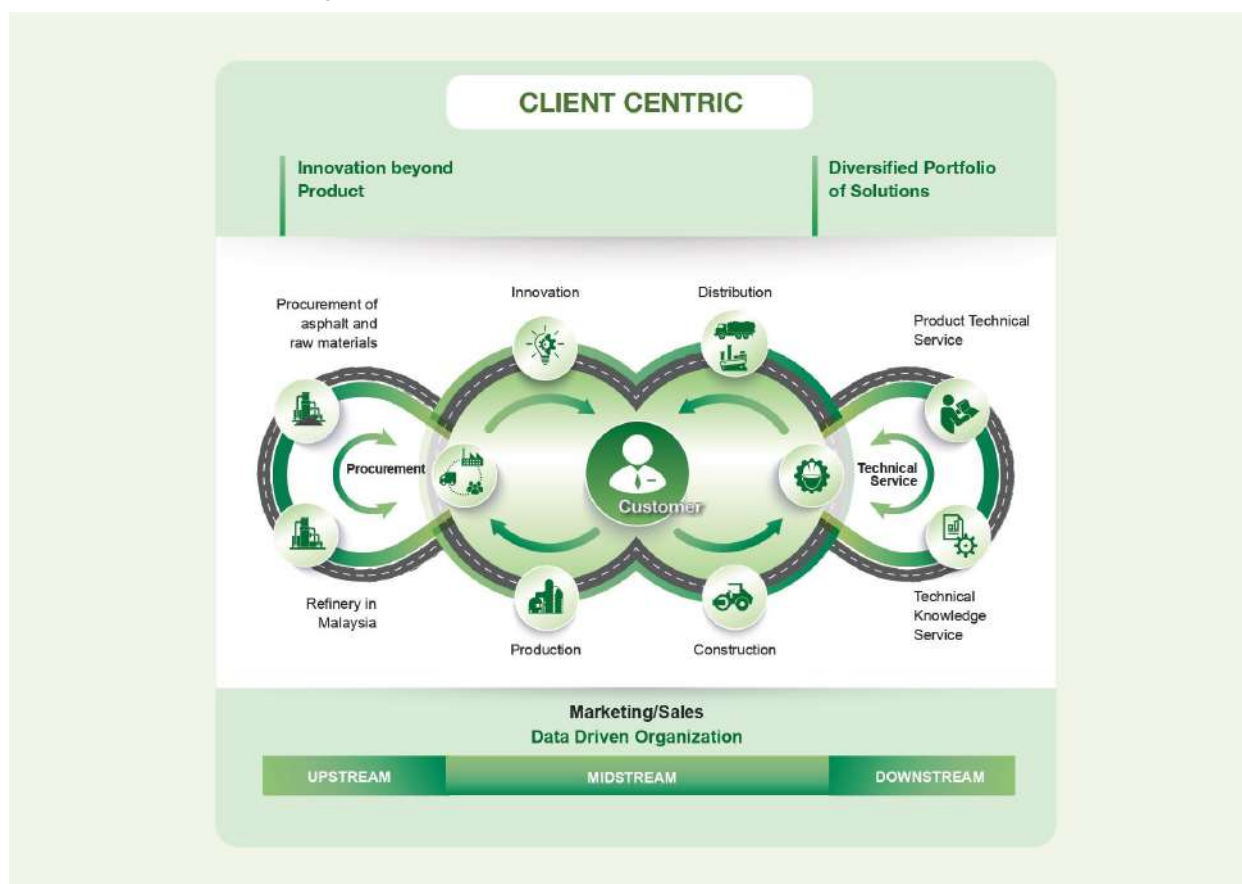
In 2024, Sustainable Development policy was reviewed and retained. In addition, target of sustainability was reviewed and revised to reflect strategy and situation,

3.2 Management of impacts on stakeholders in the business value chain

3.2.1 Business value chain

The Group's value chain is designed to encompass business processes while aligning with the corporate strategy under Vision 2025. Centered on customer needs and expectations, it places customers at the core of business operations. The Group's customer-centric approach is one of the six key strategic priorities across the entire business from upstream to downstream. The value chain plays an increasingly vital role as customer needs are analyzed and integrated into operations through innovation and technology. This approach enhances responsiveness in both products and services while improving operational efficiency. For instance, the adoption of digital platforms in customer service enables more effective responses to customer demands while streamlining workflows for greater efficiency. The core activities within the business value chain include procurement, refining, production, marketing and sales, logistics, construction, and technical services, encompassing both product expertise and technical knowledge.

Business value chain diagram



Business activities throughout the value chain

Activity	Relate To Stakeholders
Main Activity	
 <p>Procurement Procurement of asphalt and raw materials</p>	<ul style="list-style-type: none"> Suppliers / Partners: Products and services distributors Competitors: Products and services distributors Employees: Producers
 <p>Refinery Crude refinery</p>	<ul style="list-style-type: none"> Government Agencies: Conduct business in accordance with regulations and ethics Communities: May be affected by the activity Employees: Producers
 <p>Production Convert raw materials into premium grade asphalt products</p>	<ul style="list-style-type: none"> Government Agencies: Conduct business in accordance with regulations and ethics Communities: May be affected by the activity Employees: Producers
 <p>Marketing and Sales Provide products and services to meet domestic and international customers' expectations</p>	<ul style="list-style-type: none"> Government Agencies: Conduct business in accordance with regulations and ethics Customers: Determine the characteristics of the products and services. Communities: May be affected by the activity Employees: Producers
 <p>Distribution Distribute products to customers via domestic trucks and international vessels</p>	<ul style="list-style-type: none"> Government Agencies: Conduct business in accordance with regulations and ethics Customers: Determine the characteristics of the products and services Road Users: May be affected by the activity Communities: May be affected by the activity Employees: Producers
 <p>Construction Road surface paving techniques and expertise, entrusted and registered by government agencies</p>	<ul style="list-style-type: none"> Government Agencies: Conduct business in accordance with regulations and ethics Road Users: May be affected by the activity Communities: May be affected by the activity Employees: Producers
 <p>Providing technical service and knowledge Providing technical services, equipped with product and application know-how to our customers for on-site assistance</p>	<ul style="list-style-type: none"> Customers: Determine the characteristics of the products and services Road Users: May be affected by the activity Employees: Producers
Support Activity	
 <p>Mass Media Disclose business plans, performance and timely information to the public</p>	<ul style="list-style-type: none"> Shareholders / Investors: Review and/or approve work plans, budgets and assign roles and responsibilities to the Board of Directors. Board of Directors: Review and/or approve plans, including budgets, and assign roles and responsibilities to management. Media: Inquire and disseminate about the company's information Employees: Producers

3.2.2 Analysis of stakeholders in the business value chain

Details of stakeholder analysis in the business value chain

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
Internal stakeholders			
<ul style="list-style-type: none"> • Board of director 	<ul style="list-style-type: none"> - Conduct business in compliance with laws, regulations, and business ethics - Operate under the principles of sustainable development, considering the impact on the economy, society, and environment 	<ul style="list-style-type: none"> - Report change in relevant regulations to Board of Directors - Participate in corporate governance and sustainability projects such as CGR, CAC, and SET ESG Rating 	<ul style="list-style-type: none"> • Internal Meeting
<ul style="list-style-type: none"> • Employees 	<ul style="list-style-type: none"> - Respect for the basic rights and freedoms of employees - Receiving fair and appropriate compensation and benefits - Having a good quality of work life, supported by necessary resources and environment for work - Receiving development and opportunities for career advancement 	<ul style="list-style-type: none"> Organize quarterly meetings of the welfare committee in the workplace and the Thai labor standards committee twice a year 	<ul style="list-style-type: none"> • Internal Meeting • Employee Engagement Survey • Others <ul style="list-style-type: none"> • Communication through internal channel such as email • Staff meeting on least twice a year
<ul style="list-style-type: none"> • Shareholders 	<ul style="list-style-type: none"> -Transparent and fair disclosure of company information - Return on investment -Inquiries and feedback channel 	<ul style="list-style-type: none"> - Disclose performance and sustainability information in compliance with applicable regulations. - Report financial statements and Management Discussion and Analysis (MD&A) on a quarterly basis. -Provide communication channel to Company 	<ul style="list-style-type: none"> • Online Communication • Annual General Meeting (AGM) • Others <ul style="list-style-type: none"> • 56-1 One report and sustainability report • Financial statement and material event disclosure on Stock Exchange of Thailand

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
External stakeholders			
<ul style="list-style-type: none"> Investors or investment institutions Analysts 	<ul style="list-style-type: none"> -Transparent and fair disclosure of company information - Return on investment -Inquiries and feedback channel 	<ul style="list-style-type: none"> - Disclose operational and sustainability information in compliance with applicable regulations. - Report financial statements and Management Discussion and Analysis (MD&A) on a quarterly basis. -Provide communication channel to Company 	<ul style="list-style-type: none"> Press Release Online Communication Others <ul style="list-style-type: none"> Analyst meeting and Opportunity day 56-1 One report, Sustainability report, Financial Statement and material event disclosure
<ul style="list-style-type: none"> Educational institution or academic agency Society Media 	<ul style="list-style-type: none"> Disclose company information with accuracy, clarity, fairness, and timeliness 	<ul style="list-style-type: none"> - Disclose company information to the Stock Exchange of Thailand (SET) and other regulatory bodies in accordance with applicable regulations. -Press release -Opportunity day event 	<ul style="list-style-type: none"> Press Release Online Communication External Meeting
<ul style="list-style-type: none"> Government agencies and Regulators 	<ul style="list-style-type: none"> -Disclose accurate and complete information to ensure transparency, accountability, and compliance with relevant laws and regulations. - Policies and processes focused on anti-corruption and establishment of whistleblowing mechanisms. - Participation and feedback from the Company regarding upcoming law and regulation during hearing process. -Comply with law and regulation and requirement of other regulatory bodies 	<ul style="list-style-type: none"> - Communicate the company's performance to the public through available channels. - Establish policy and procedure on anti-corruption in accordance with CAC -Provide feedback during meetings and opinions regarding rules, regulations, and standards related to regulatory bodies. - Compliance assessment on law and regulator accordance to company policy - Prepare documents and provide relevant information to the management to ensure compliance with regulations and directives 	<ul style="list-style-type: none"> Others <ul style="list-style-type: none"> Report information through the Stock Exchange of Thailand and other relevant channels Participate and assess in the Thailand Private Sector Collective Action Coalition Against Corruption (CAC) Attend meeting regarding relevant law and regulation, standard, and other relevant guidelines

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<ul style="list-style-type: none"> • Suppliers • Business partners 	<p>-Fair procurement practices, ensuring the equitable treatment of all business partners.</p> <p>-Select suppliers in a systematic, transparent, and accountable manner.</p> <p>-Support suppliers in developing knowledge and the ability to adapt to sustainable procurement practices, along with the continuous improvement of procurement practices.</p>	<p>-Establish a sustainable procurement policy to ensure suppliers' confidence in the fairness of the procurement process, with a commitment to good corporate governance toward achieving sustainability development.</p> <p>-Establish a supplier code of conduct and encourage suppliers to adhere to business ethics.</p> <p>- There are procedure for assessing and the procurement bidding process for supplier in accordance with work instruction.</p> <p>-Cooperate training and seminars for suppliers on various beneficial topics upon request.</p> <p>-Develop and exchange knowledge to raise awareness of environmental issues for adaptation in their operations toward the "Green Industry".</p>	<ul style="list-style-type: none"> • Training / Seminar • Others <ul style="list-style-type: none"> • Policy on website • Communicate the supplier code of conduct and support suppliers in achieving sustainability. • Distribute the supplier code of conduct to suppliers of raw materials and packaging that are critical to the business. • Provide guidelines for supplier operations through an online system, including consultation and communication. • Supplier audit by Company or self-supplier audit according to guideline
<ul style="list-style-type: none"> • Contractors • Customers 	<ul style="list-style-type: none"> - Quality of goods and services - Guideline for product usages - Provide prompt and fair services while respecting customer rights. - Treat customers fairly and respect their rights. 	<ul style="list-style-type: none"> - Organize customer relation program - Technical service programs to strengthen customer relationships. -Organize knowledge sharing workshops and seminars for customers -Resolve customer complaints and communicate the outcome to the customer. 	<ul style="list-style-type: none"> • Satisfaction Survey

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<ul style="list-style-type: none"> • Community 	<ul style="list-style-type: none"> - A pollution-free environment for the community through the prevention and control of potential impacts. -Continuously Environment management and resource efficiency - Improve the standard of living in the community by supporting and developing initiatives that enhance occupational health, promote community hiring, and facilitate knowledge sharing with students. -Product and services complaint 	<ul style="list-style-type: none"> - Continuously environmental development project - Organize health improvement project -Organize CSR activities focused on improving the standard of living and safety knowledge. - Cooperate with community in preserving traditional culture - Yearly environmental measurement and result communication. -Establish a process for handling complaints and suggestions. 	<ul style="list-style-type: none"> • Social Event • Others <ul style="list-style-type: none"> • Engage in dialogue with stakeholders through an "Open House" event, advertise on the company billboard to communicate with the community around the plant, and gather satisfaction surveys from the community. • Other community activity
<ul style="list-style-type: none"> • Others • Road User 	<ul style="list-style-type: none"> - A safe driver with good manners and strict adherence to the law. - Generate no impact or cause on society, the environment, or safety. 	<ul style="list-style-type: none"> - Technology-driven control and compliance with driving laws. - Emergency plan cover an incident on social and environment including - Spillage and leakage management in accordance with the plan. - Establish near-miss accident activities to assist driver safety, reduce risks for road users, and minimize the opportunity to cause property damage. - Receiving complaints, suggestions, and feedback. 	<ul style="list-style-type: none"> • Others <ul style="list-style-type: none"> • Online press or training • Electronic means, Online channel, Road Safety survey • Dialogues with stakeholders and meeting
<ul style="list-style-type: none"> • Competitors 	<ul style="list-style-type: none"> -Fairly and transparency trading practices. -Strictly comply with relevant laws and regulations. 	<ul style="list-style-type: none"> - Comply with code of ethic - Comply with sales Policy 	<ul style="list-style-type: none"> • External Meeting

3.3 Management of environmental sustainability

3.3.1 Environmental policy and guidelines

Environmental policy and guidelines

Environmental policy and guidelines	:	Yes
Environmental guidelines	:	Electricity Management, Fuel Management, Renewable/Clean Energy Management, Water Management, Waste Management, Greenhouse Gas and Climate Change Management, Air Quality Management, Noise Pollution Management

The Group places great importance on environmental management, focusing on reducing the impact of operations in compliance with laws, management system standards, and multiple sustainability guidelines at both national and international levels. The details are as follows:

- Electricity and fuel management and renewable/clean energy management: Energy conservation by focusing on reducing energy loss in processes, improving energy efficiency, and increasing the proportion of electricity from renewable/clean energy sources.
- Water management: Applying recycling principles to reduce water withdrawal and usage, and controlling wastewater quality.
- Waste management: Applying the 3R principles (Reduce, Reuse, Recycle) to reduce waste generation, including waste segregation for efficient waste management.
- Greenhouse gas and climate change management: Developing climate strategies aimed at reducing greenhouse gas emissions, including Green products.
- Air quality and noise pollution management: Conducting activities in accordance with relevant legal frameworks.

Reference link for environmental policy and guidelines : <https://www.tipcoasphalt.com/wp-content/uploads/2023/11/Environmental-policy-Eng.pdf>

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

Review of environmental policies, guidelines, and/or goals over the past year	:	Yes
Changes in environmental policies, guidelines, and/or goals	:	Electricity Management, Fuel Management, Water Management, Greenhouse Gas and Climate Change Management

In 2024, the policies and practices for sustainability were reviewed for completeness. Additionally, the goals were reviewed and updated. The indicators for reducing greenhouse gas emissions, and the use of electricity, fuel, and water were improved and aligned with the company's current policies and situation.

3.3.2 Environmental operating results

Information on energy management

Energy management plan

The company's energy management plan : Yes

The Group is enhancing energy efficiency by focusing on reducing energy loss in processes. This includes improving the thermal insulation of product storage tanks to reduce the rate of heat energy loss to the atmosphere. Additionally, the Group manages the receipt and delivery of goods and implements a Just-in-Time (JIT) production process. The Group has a plan with clear objectives, steps, timelines, indicators, and monitoring. Furthermore, the Group aims to manage energy by supporting the use of alternative and renewable energy, such as installing LED solar lighting for street and office building illumination.

Setting goals for managing electricity and/or oil and fuel

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

Details of setting goals for electricity and/or fuel management

Target(s)	Base year(s)	Target year(s)
Reduction of electricity purchased and fuel consumption	2020 : energy consumption 214,916,690.02 Mega Joules	2024 : Reduced by 19% or 40,822,623.86 Mega Joules

Performance and outcomes of energy management

Performance and outcomes of energy management : Yes

In 2024, the Group managed energy by reducing the rate of heat energy loss of products to the atmosphere through a project to improve the thermal insulation of product storage tanks. Additionally, the company managed fuel usage, goods receipt and delivery, and implemented a Just-in-Time (JIT) production process. As a result, the consumption of fuel oil and diesel decreased compared to 2020.

The Group efficiently managed energy for both lighting and air conditioning systems by installing solar power systems for street and office building illumination.

Diagram of Performance and outcomes of energy management



Thermal Insulation improving for preventing energy loss



Efficient transportation management

Energy management: Fuel consumption

	2022	2023	2024
Diesel (Litres)	3,518,511.00	3,167,521.39	3,005,892.00
Gasoline (Litres)	21,370.35	24,171.49	27,007.70
Fuel oil (Litres)	435,325.00	414,594.00	384,505.00
LPG (Kilograms)	79,713.00	61,014.00	66,093.00
Alternative oil CD10 (Litres)	27,462.00	16,397.00	28,272.00

Energy management: Electricity consumption

	2022	2023	2024
Total electricity consumption within the organization (Kilowatt-Hours)	3,258,247.00	3,203,763.00	3,297,187.00
Electricity purchased for consumption from non-renewable energy sources (Kilowatt-Hours)	3,258,247.00	3,203,763.00	3,297,187.00

Information on water management

Water management plan

The Company's water management plan : Yes

In 2024, the Group constructed rainwater storage ponds to collect rainwater and water used within the asphalt production plant in Thailand. This water will undergo a quality improvement process to be reused in production without affecting product quality, machinery operation, or employee safety. Additionally, the Group implemented the TPM (Total Productive Maintenance) concept to monitor the efficiency of machinery and production systems, aiming to reduce water usage in cleaning processes to the necessary minimum.

Setting goals for water management

Does the company set goals for water management : Yes

Details of setting goals for water management

Target(s)	Base year(s)	Target year(s)
Reduction of water withdrawal	2023 : Water withdrawal 35,081.00 Cubic meters	2024 : Reduced by 3%

Performance and outcomes of water management

Performance and outcomes of water management : Yes

Water withdrawal includes using water as a raw material in the production of asphalt emulsion (AE). To reduce over-dependence on and unnecessary exploitation of natural water sources, the Company has implemented the usage of recycled water from the plant's other activities for AE production. However, in 2024, the sales volumes of AE grew significantly, resulting in water withdrawal 37,538 cubic meters higher than in 2023. Excluding water withdrawal for AE production, water withdrawal levels for 2024 were similar to the previous year.

Following the implementation of reused recycled water, recycled water withdrawal reached 2,855.1 cubic meters, a slight increase from 2023.

Diagram of performance and outcomes in water management



Water storage inside factory

Water management: Water withdrawal by source

	2022	2023	2024
Total water withdrawal (Cubic meters)	37,354.00	35,081.00	37,537.90
Water withdrawal by third-party water (cubic meters)	17,241.00	11,985.00	11,265.50
Water withdrawal by surface water (cubic meters)	N/A	3,203.00	3,826.40
Water withdrawal by groundwater (cubic meters)	20,113.00	19,893.00	22,446.00

Water management: Water discharge by destinations

	2022	2023	2024
Percentage of treated wastewater (%)	100.00	100.00	100.00
Total wastewater discharge (cubic meters)	2,785.00	2,384.00	1,857.96
Wastewater discharged to surface water (cubic meters)	2,785.00	2,384.00	1,857.96
Wastewater discharged to groundwater (cubic meters)	0.00	0.00	0.00

Water management: Water consumption

	2022	2023	2024
Total water consumption (Cubic meters)	34,569.00	32,697.00	35,679.94

Water management: Recycled water consumption

	2022	2023	2024
Total recycled water for consumption (Cubic meters)	2,782.40	2,849.35	2,855.05

Information on waste management

Waste management plan

The company's waste management plan : Yes

The Group has established policies and complies with environmental regulations, laws, and international standards. It also supports research and development of environmentally friendly innovations, focusing on reducing both hazardous and non-hazardous waste and managing zero landfill waste. Additionally, it promotes the use of a circular economy system to maximize the benefits of natural resources.

The Group applies the 3R principles: Reduce, Reuse, and Recycle, to minimize waste generated from various processes, including production, transportation, maintenance, and office management.

Setting goals for waste management ⁽³⁾

Does the company set goals for waste management : Yes

Details of setting goals for waste management

Target(s)	Base year(s)	Target year(s)	Waste management methods
Reduction of waste generation Waste type: Hazardous waste	2024	2024 : Reduced by 100%	• Landfilling

Remark : ⁽³⁾ Hazardous waste to landfill = 0

Performance and outcomes of waste management

Performance and outcomes of waste management : Yes

The company systematically manages its waste and by-products by adhering to the 3R principles (Reduce, Reuse, Recycle). It has an efficient waste segregation system by type such as "Turn waste to donation or Ka Yha Pun Suk" project, alongside raising awareness and engaging stakeholders to reduce landfill disposal. In 2024, the company had a total waste and by-product volume of 268,797.30 kilograms.

Additionally, the Group monitors environmental quality in the office and around the premises at least once a year. In 2024, it was found that the air quality, odor, noise, and lighting standards were within normal legal limits, and there were no incidents of chemical leaks from business operations.

Diagram of Performance and outcomes of waste management



Waste sorting for recycling

Waste management: Waste Generation

	2022	2023	2024
Total waste generated (Kilograms)	268,050.60	185,650.00	268,797.30
Total non-hazardous waste (kilograms)	94,044.80	91,930.00	83,757.50
Non-hazardous waste - Landfilling (Kilograms)	27,568.80	24,110.00	21,145.50
Non-hazardous waste - Incineration with energy recovery (Kilograms)	0.00	0.00	0.00
Non-hazardous waste - Incineration without energy recovery (Kilograms)	0.00	0.00	0.00
Non-hazardous waste – Others (kilograms)	66,476.00	67,820.00	62,612.00
Total hazardous waste (kilograms)	174,005.80	93,720.00	185,039.80
Hazardous waste - Landfilling (Kilograms)	0.00	0.00	0.00
Hazardous waste - Incineration with energy recovery (Kilograms)	0.00	0.00	0.00
Hazardous waste - Incineration without energy recovery (Kilograms)	0.00	0.00	360.00

	2022	2023	2024
Hazardous waste – Others (kilograms)	174,005.80	93,720.00	184,679.80

Waste management: Waste reuse and recycling

	2022	2023	2024
Total reused/recycled waste (Kilograms)	206,877.20	114,900.00	218,910.00
Reused/Recycled non-hazardous waste (Kilograms)	32,992.20	13,360.00	29,778.00
Reused non-hazardous waste (Kilograms)	12.00	520.00	0.00
Recycled non-hazardous waste (Kilograms)	32,980.20	12,840.00	29,778.00
Reused/Recycled hazardous waste (Kilograms)	173,885.00	101,540.00	189,132.00
Reused hazardous waste (Kilograms)	4,246.00	2,250.00	462.00
Recycled hazardous waste (Kilograms)	169,639.00	99,290.00	188,670.00

Information on greenhouse gas management

Greenhouse gas management plan

The company's greenhouse gas management plan : Yes

The Group has developed several strategic climate change projects, such as solar roofs, electric vehicle and electric trucks. Additionally, it has developed Green products and disclosed environmental and climate performance data in accordance with IFRS S2 standards.

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

Principles and standards for greenhouse gas or climate change management : Other : GRI Disclosure 305

Setting greenhouse gas emission goals

Does the company set greenhouse gas management goals : Yes

Company's existing targets : Setting other greenhouse gas reduction targets

Setting other greenhouse gas reduction targets

Details of setting other greenhouse gas reduction targets

Greenhouse gas emission scope	Base year(s)	Short-term target year	Long-term target year
Scope 1	2020 : Greenhouse gas emissions 15,144.00 tCO ₂ e	2024 : Reduced by 30% in comparison to the base year	-
Scope 2	2020 : Greenhouse gas emissions 2,115.00 tCO ₂ e	2024 : Reduced by 24% in comparison to the base year	-
Scope 1-2	2020 : Greenhouse gas emissions 17,259.00 tCO ₂ e	2024 : Reduced by 29% in comparison to the base year	2030 : Reduced by 36% in comparison to the base year

Performance and outcomes of greenhouse gas management

Performance and outcomes of greenhouse gas management : Yes

In 2024, the asphalt plants in Thailand implemented projects to support the reduction of greenhouse gas emissions, such as electric vehicles and cars, and Specialized Logistic Partners. In 2024, net greenhouse gas emissions (Scope 1 and Scope 2) decreased by 34% compared to 2020. Specifically, Scope 1 emissions decreased by 36% and Scope 2 emissions decreased by 22% compared to 2020. The greenhouse gas emission rate per ton of production (Scope 1 and 2) was 0.018 tons of CO₂ equivalent per ton of production, a 43% reduction compared to 2020, achieving the set targets.

Additionally, the Company introduced an environmentally friendly product, Tipco Joint Sealer, which received the Carbon Reduction Label or Gold Label certification from the Thailand Greenhouse Gas Management Organization on 28 August.

Diagram of Performance and outcomes of greenhouse gas management



Greenhouse gas management : Corporate greenhouse gas emission

	2022	2023	2024
Total greenhouse gas emissions (Metric tonnes of carbon dioxide equivalent) ⁽⁴⁾	12,986.92	11,856.31	11,411.77
Total greenhouse gas emissions - Scope 1 (Metric tonnes of carbon dioxide equivalent)	11,358.12	10,254.75	9,763.51
Total greenhouse gas emissions - Scope 2 (Metric tonnes of carbon dioxide equivalent)	1,628.80	1,601.56	1,648.26

Remark : ⁽⁴⁾ In order to reflect change in GHGs Emission Factor (EF) was announced by Thailand Greenhouse Gas Management Organization (Public Organization) with effect on 1 April 2022, the Greenhouse Gas emissions - Scope 1 in 2022 was recalculated accordingly. This, in turn, resulted in change in total GHG emissions.

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

Verification of the company's greenhouse gas emissions : Yes

List of greenhouse gas verifier entity : Other : Management Certification Institute (Thailand)

Information on other environmental management**Plans, performance, and outcomes related to other environmental management**

The Group is committed to conducting business alongside managing environmental impacts throughout the value chain by promoting awareness of protecting and conserving natural resources and the environment. The focus is on business operations according to environmental management systems based on ISO14001 and ISO26000 standards, integrated with the company's environmental and sustainability policies to drive towards sustainability.

Not only does the Group manage the environment within the organization, but it is also committed to expanding the green network to the supply chain, encouraging partners and allies to enter the management process to reduce environmental impacts together. This commitment is reflected in the awards received from "the Green Industry Award Level 5: Green Network or GI 5" the highest level of this project. The asphalt plants have been continuously certified since 2022, with the Phitsanulok factory being the first to receive the GI5 award. In the following year, the Phra Pradaeng and Rayong plants received certification and participated in the award ceremony on September 23, 2024. In 2024, the Surat Thani and Korat plants were certified GI5 according to the Ministry of Industry's announcement, resulting in all asphalt plants being certified.

Additionally, the Group emphasizes promoting social and community responsibility through continuous participation in the "Promoting Industrial plant to be Responsible to Society and Community" project by the Department of Industrial Works. In 2024, all asphalt plants in Thailand received the CSR-DIW Award for 2024, in the CSR-DIW Continuous Awards category, for 10 consecutive years. This award reflects the company's commitment to sustainability coexistence with the community and society for over 10 years, adhering to the standards of industrial operators' social responsibility, creating a balance in governance, economy, society, and environment, alongside sustainable coexistence with the community and society.

Information on incidents related to legal violations or negative environmental impacts**Number of cases and incidents of legal violations or negative environmental impacts**

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

3.4 Social sustainability management

3.4.1 Social policy and guidelines

Social and human rights policy and guidelines	:	Yes
Social and human rights guidelines	:	Employee rights, Child labor, Consumer/customer rights, Community and environmental rights, Safety and occupational health at work, Non-discrimination, Supplier rights

The TIPCO Asphalt Group is committed to upholding its high standards for business conduct in accordance with good corporate governance principles, respect for human rights, and equitable treatment for all as stipulated by the Group's corporate ethics. These also encompass awareness regarding the Group's responsibility towards society, community, and the environment, all in the aim of mutually beneficial co-existence and collaboration, particularly with regards to sustainable development.

Social

The Group has formulated a social responsibility policy which focuses on the impacts of our products and services and/or work operations on the economy, society and environment. The Policy also emphasizes targeted community development achieved through the Group's expertise coupled with sustainability oriented endeavors. More importantly, the Group integrates social responsibility into all business decision-making across the Group's value chain. Details on Corporate Social Responsibility can be assessed through https://www.tipcoasphalt.com/wp-content/uploads/2021/12/Announcement-PolicyCorporateSocialResponsibilityPolicyEN_1620871372.67188.pdf

Human Rights

Under the United Nations Guiding Principles on Business and Human Rights (UNGPs), the Tipco Asphalt Group announced its own human rights policy in 2014, updated on 12th May 2021 with a focus on good corporate governance principles whereby staff at all levels must fully comply with labor laws and human rights regulations.

In 2021, the policy was revised to include all business alliances, such as business partners and customers, to operate in line with our policy. This policy decrees that labor rights, women's rights and children's rights must be respected, with fair and equitable treatment for all those concerned, in accordance with prevailing Thai and international standards. Details on Human Right policy can be assessed through https://www.tipcoasphalt.com/wp-content/uploads/2021/12/Announcement-PolicyHumanRightsPolicyEN_1620871416.625-1.pdf

Reference link for social and human rights policy and guidelines	:	https://www.tipcoasphalt.com/wp-content/uploads/2024/07/HCM-Statement_July-2024-Signed.pdf
Page number of the reference link	:	7

Compliance with human rights principles and standards

Human rights management principles and standards	:	Thai Labour Standard: Corporate Social Responsibility of Thai Businesses (TLS 8001-2010) by the Ministry of Labour, The UN Guiding Principles on Business and Human Rights, Others : United Nations Global Compact: UNGC
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Review of social and human rights policies, guidelines, and/or goals over the past year

Review of social and human rights policies, guidelines, and/or goals over the past year	:	Yes
Changes in social and human rights policies, guidelines, and/or goals	:	Safety and occupational health at work

In 2024, the social and human rights policies and practices were reviewed and result indicated that they are up-to-date and comprehensive. However, the Group establish a the Security, Safety, Occupational health, and the environment which truly reflect the commitment and commitment to safety, which can be access through <https://www.tipcoasphalt.com/wp->

Human Rights Due Diligence : HRDD

Does the company have an HRDD process : No

The Group has planned to conduct Human Rights Due Diligence (HRDD) in 2025. However, The company identified the human right of stakeholder as follows:

Labour Rights

The Group uses various communication channels and organizes meetings with employees to communicate their expectation on "fair and humane compensation being distributed equally" In communicating with employees, the Human Capital Management Department conducts meetings with employees in

local offices to provide information on our compensation structure with comparisons of market data from relevant industries. This also includes a session on career advancement opportunities based on our Job Competency Profile guidelines, and assessments of individual performance appraisals.

Human rights of customer

Any customer-related issues that may arise during business transactions are the Group's responsibility. The Group has expressed its responsibilities to customer rights as follows:

- Customer information and privacy: The Group does not disclose any of its customers' information, nor does it share any data of joint businesses associated with customers' affiliates to external entities be they in the same industry or in other non-related sectors. Except in necessary cases where the purpose has been informed to the customer and consent has been obtained.
- Customer data security: The Group safeguards all customer information kept at the Group, whatever form that information may take, be it physical documents or electronic media, to ensure no information is leaked by intentional or non-intentional means.
- The Group fully informs customers of how customer data is used. This is to ensure that customers get a full and transparent understanding of our business operations, while enjoying adequate and sufficient data protection. A customer complaint channel is available in case any customers are treated unfairly.

To ensure customer human rights are respected and treated fairly in accordance with international human rights guidelines, the Group implements an enterprise risk management (ERM) to identify and assess potential customer risks including those related to human rights

In 2024, the Group found no issues in social laws or regulations breaches related to human rights violations. Our channels to monitor our human rights protection practice include whistleblowing from employees as well as outsiders, and internal control inspection. The report of monitoring is presented to the Sustainability and Corporate Governance Committee yearly.

Human Rights of supplier

The development of solution mechanisms to prevent human rights violation issues and conflicts is one of Tipco Asphalt Group's top priorities. The Group is fully committed to taking responsibility in the face of any emerging conflict issues, and to staying proactive in the promotion of our business partners' human rights, when it comes to the delivery of our products and services.

Any new businesses expressing an interest in working with the Group will be required to conduct a self-assessment covering the topics of forced labor employment, work compensation, work hours, fair treatment, discipline and punishment, child and female labor use, employee negotiating power, occupational health and safety, work environment and welfare. The results of these self-assessments serve as the main partner selection criteria, together with onsite visits of prospective partners' premises (factories and/or sales offices) by selected representatives from the Group.

Partners that pass all selection criteria will be chosen to conduct business with us. Prior to conducting the first business transaction, said qualified partner must submit a letter of intent signed by its authorized directors that fully complies with

labor laws and the Group's policy. Once the partner has been in business with the Group for more than a year, said partner must participate in the Group's supplier capability assessment conducted by the Procurement Department. This protocol ensures our partners maintain the business capability and qualifications standards set forth by the Group.

Human rights of road users and the community

The community is one of the key stakeholders the Tipco Asphalt Group focuses on across our business value chain. As a member of the community, the Group acknowledges the "human rights of the community", recognizing that each community member has the right to access natural resources, while it is our responsibility to ensure that natural resource use, the environment, and bio-diversity are monitored responsibly and equitably. This needs to be achieved in tandem with other concerns including public safety.

The Group provides support for various projects and initiatives from local organizations, community leaders, or other business units. We also extend those projects initiated by the Group to the community across public safety, education, and culture. Nevertheless, the Group's primary focus has been on useful initiatives where we can utilize our internal knowledge and expertise for the benefit of the community.

Having access to public road networks and public road safety is crucial to all communities. This helps reduce accidents caused by poor, worn-out road surfaces, which are among the major causes of personal injuries and road accidents. Our "patching potholes with TIPCO Premix" project are one such initiative.

Children's Rights

Children are important members of the community. According to the definition of the Convention on the Rights of the Child and other conventions, 'children' refers to any individual lower than 18-years of age. These infants, young children, and teenagers are highly vulnerable but play a crucial role in the success of business operations and of long-term sustainability.

The Group therefore respects children's rights across 4 major areas in accordance with UNICEF's Children's Rights and Business Principles (CRBP), i.e., Survival, Participation, Protection, and Development. The Group assesses children's well-being in 3 key areas across our value chain. These include key processes and activities pertaining to the business (workplace), sales and distribution channels (marketplace), and communities near our plant facilities (community and environment). This is to promote the innovation of infrastructure development while improving standard of livings and ultimately achieving sustainable development.

The Group also promotes projects that community members can participate and engage in together. These initiatives allow children and adult members of the community to realize the potential of harmonious co-habitation and the importance of the co-preservation of natural resources. Some of these ideas were proposed by our own staff from local plants. For instance, the National Children's Day activity that all children and their parents participated in on basic road safety knowledge training, or the "Safe journey to school" proposed by local staff members, a project that received tremendous participation from students, teachers and community members, as did other similar pothole patching projects on worn-out roads. As a leading company in road construction and maintenance throughout Thailand, the Group firmly believes that sustainable business cannot be achieved through constant development alone, but also through strong foundations from sustainable community-engagement.

HRDD process diagram

Significant Human Rights Issues



3.4.2 Social operating results

Information on employees and labor

Employees and labor management plan

The company's employee and labor management plan	:	Yes
Employee and labor management plan implemented by the Company in the past year	:	Fair employee compensation, Employee training and development, Promoting employee relations and participation, Safety and occupational health at work

Remuneration

The remuneration structure of the Group consists of both fixed and variable remuneration. It is considered under the principles of pay-for-performance and potential, meaning fixed compensation is determined according to equal pay guidelines based on factors such as ability, knowledge, experience, skills, and responsibilities related to each position. Meanwhile, variable compensation depends on job performance and is reviewed on annual basis. In addition, the remuneration is compared with that of other organizations through participation in salary and benefits surveys for every two years to align with industry trends and ensure that the group's remuneration remains competitive. The variable compensation also includes benefits such as social security, pensions, and additional perks. To ensure effective and transparent communication regarding remuneration, each department manager will receive necessary support from human resources, taking into account professional performance and specific job responsibilities. The quality of communication on these matters is important. Each manager must engage in discussions with their subordinates about remuneration. It is essential to recognize that while remuneration is important for every employee, it is not the only factor influencing employee motivation.

Performance Management

The Group has set a framework for annual work planning between supervisors and employees at the start of each year, with mid-year reviews and year-end performance evaluations. This provides employees an opportunity to offer feedback and request support from their supervisors. Providing feedback for employee performance development should be conducted through open discussions, based on mutual trust, and a shared commitment to achieving progress. Written records should be kept during these discussions, with the main focus being on continuous improvement, appropriate training, and fostering an inspiring work environment.

Employee Training and Development

Focusing on customer-centricity, human capital management is employee-centered. The Group focuses on developing high-potential

employees, aiming to develop these individuals into future leaders with high adaptability who can work in diverse cultures and regions. By focusing on the employee as the center, the group promotes employee happiness and pride in their work. The expectation is that employees will take pride in sharing the organization's culture with others, which supports a balance between work and personal life, fosters creativity, and attracts high-potential talent to join the group. This leads to better employee retention. The Group places great importance on retaining high-potential employees and preparing successors for positions to support business expansion into other countries. This ensures that personnel are ready for growth. A key factor in this is promoting a universal mindset where employees can work comfortably in culturally diverse environments and achieve success by leveraging these differences. Employees with potential and ability, including management trainees and succession candidates, are involved in creating personal development plans and participating in specific development programs beyond their current job scope. The development approach follows the 70/20/10 model: 70% from on-the-job learning, 20% from coaching, and 10% from classroom training. It is expected that high-potential employees will benefit most from self-directed learning.

Promoting Employee Relations and Participation

Focusing on an employee-centered approach, the Group aims to ensure employees are happy working with the organization and take pride in their work. Employees are encouraged to share the organization's culture and how it fosters an employee-oriented approach that improves work-life balance and creates an environment that supports creativity. This strategy not only attracts high-potential talent but also helps in retaining employees within the organization. The Company conducts employee engagement surveys on corporate culture and innovation every two years. Each survey alternates yearly to consistently assess employee engagement and innovation, while also providing ample time to act on the feedback received.

Safety and Occupational Health at work

The Group has implemented Occupational Health and Safety management systems following ISO45001 and ISO39001 standards. These systems manage workplace health and safety, along with road traffic safety for employees, contractors, and external service providers working on-site. The goal is to prevent accidents, injuries, and work-related illnesses. The Group continuously assesses health and safety risks during planning, system development, and control measures, creating a safe work environment to prevent accidents and illnesses, including for stakeholders. The Group promotes a risk-based mindset to reduce and control potential risks that could affect occupational health and safety, in alignment with sustainability strategies that instill safety awareness among stakeholders. Additionally, the Group promotes safety awareness throughout the product delivery process, from within the factory to the delivery routes, ensuring products are delivered safely and on time, meeting customer expectations with no significant impact on road users.

Reference link for employee and labor management plan : https://www.tipcoasphalt.com/wp-content/uploads/2024/07/HCM-Statement_July-2024-Signed.pdf

Page number of the reference link : 14-17

Setting employee and labor management goals

Does the company set employee and labor management : Yes
goals

Details of setting goals for employee and labor management

Target(s)	Indicator(s)	Base year(s)	Target year(s)
• Employee training and development	Average Training Hours in Technical and Management categories per head per year	2022: 24 hours per head per year	2024: 24 hours per head per year
• Safety and occupational health at work	Loss Time Injury case	-	2024: 0
• Promoting employee relations and participation	Voluntary turnover rate	2024: -	2024: not exceeding 10%

Performance and outcomes for employee and labor management

Performance and outcomes for employee and labor management : Yes

Employees and Labor Management

The Group adheres to Human Rights principles from hiring to the care of employees and personnel to ensure that all employees feel a sense of belonging and are part of the organization's family. In addition, the Group complies with the "Persons with Disabilities Empowerment Act B.E. 2550 (2007)" to promote and improve the quality of life for disabled persons. In 2024, the Group employed 1 employee with disabilities and 7 workers who are not employees with disabilities.

Employee Training and Development

In 2024, the Group organized training programs to enhance skills in their work. The average training hours or knowledge development activities per employee were 45.79 hours per person per year, exceeding the target of 24 hours per person per year. Of this, the total training hours include both technical and management training as well as environmental topics, with an average of 31.14 hours and 2.34 hours per person per year, respectively.

Employee Engagement

The Group conducts employee satisfaction surveys every two years, with the most recent survey conducted in 2023. The aim is to ensure the company responds to employees' needs and to build stronger employee engagement. In 2024, the Group worked on enhancing employee engagement by organizing well-being activities that focus on both physical and mental health. The voluntary turnover rate in 2024 in turn was 5.72%, decrease from 8.49% in the previous year.

Safety, Occupational Health, and Work Environment

In 2024, the Group continued to improve safety management efficiency to reduce risks of illness, injury, or fatalities, while appropriately caring for the quality of life of employees or contractors. In 2024, the Group implemented Occupational Health and Safety management systems and Road Traffic Safety Management systems as follows:

- 1. Improving Work Processes to Enhance Safety:** This was done through a project to reduce accidents during the transfer of asphalt by using a spring-powered asphalt cart to prevent spills when a forklift is moving while transferring the asphalt.
- 2. Health Promotion Project "Conquer Body Mass Index (BMI)":** This program aimed to teach employees about proper behavior changes

related to diet and exercise.

3. Defensive Driving Course (DDC): Employees who drive were trained in defensive driving techniques and tested to identify necessary skills and develop greater expertise.

4. Route Survey and Risk Assessment: A travel manual was created to include stop points, risk points, and mandatory stopping points for vehicle checks, such as route conditions, appropriate speed, and vehicle readiness. In 2024, there were 4 work-related injuries. The Group analyzed the root causes and implemented corrective measures and preventive actions for all cases.

Employee and labor management: Employment

Hiring employees

	2022	2023	2024
Total employees (persons)	2,136	2,030	1,942
Male employees (persons)	1,672	1,592	1,519
Female employees (persons)	464	438	423

Employment of workers with disabilities

	2022	2023	2024
Total employment of workers with disabilities (persons)	1	1	8
Total number of employees with disabilities (persons)	1	1	1
Total male employees with disabilities (persons)	1	1	1
Total female employees with disabilities (persons)	0	0	0
Total number of workers who are not employees with disabilities (persons) ⁽⁵⁾	0	0	7
Contributions to empowerment for persons with disabilities fund	Yes	Yes	No

Remark : ⁽⁵⁾ A total number of workers who are not employees with disabilities are 7 people in accordance with decree 35, Empowerment of persons with disabilities act, B.E. 2550, with a total salary of THB 834,440

Employee and labor management: Remuneration

Employee remuneration

	2022	2023	2024
Total employee remuneration (baht) ⁽⁶⁾	1,472,094,561.21	1,447,916,275.27	1,422,482,412.76

Remark : ⁽⁶⁾ There is a change in historical figure references from 2024 financial statements

Employee and labor management: Employee training and development

Employee training and development

	2022	2023	2024
Average employee training hours (hours / person / year)	46.00	38.71	45.79
Training and development expenses for employees (baht)	6,718,800.00	6,790,911.00	6,800,246.00

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

All Loss Time Injury cases have been analyzed to identify the root cause, established and implemented corrective and preventive actions, and communicated to all relevant parties.

Safety, occupational health, and environment at work

	2022	2023	2024
Total number of lost time injury incidents by employees (cases)	4	10	4

Employee and labor management: Employee engagement and internal employee groups

Employee engagement

	2022	2023	2024
Total number of employee turnover leaving the company voluntarily (persons)	58	31	29
Total number of male employee turnover leaving the company voluntarily (persons)	40	19	19
Total number of female employee turnover leaving the company voluntarily (persons)	18	12	10
Proportion of voluntary resignations (%) ⁽⁷⁾	10.44	8.49	5.72

Remark : ⁽⁷⁾ The statistics of voluntary turnover rate belongs to Thailand's asphalt business

	2022	2023	2024
Evaluation result of employee engagement ⁽⁸⁾	No	Yes	No

Remark : ⁽⁸⁾ Engagement Rate of Employees in Thailand surveyed in December 2023 is 75.28% for asphalt business

Employee internal groups

Employee internal groups : Yes
 Types of employee internal groups : Welfare committee, Others : Safety Committee, Thai Labour Standard Committee

Information about customers

Customer management plan

Company's customer management plan : Yes
 Customer management plan implemented by the company over the past year : Responsible production and services for customers, Communication of product and service impacts to customers/consumers, Development of customer satisfaction and customer relationship

Through a customer-centric approach, we have utilized our ISO 9001: Quality Management System to ensure that throughout our production and manufacturing processes, quality is always maintained. This allows us to guarantee our products and services to our customers and continually evaluate our work processes. We also work closely with our customers to better facilitate their needs and expectations by developing online platforms that offer speed and accuracy, thereby enhancing the quality and reliability of our products and services. Moreover, the Group developed effective complaints management system to coordinate, track, resolve, and identify target problem areas. The system also monitors complaints handling performance and make business improvements, while constantly improve complaints management process as our key channel to detect flaws and improve service quality. The Group perceive each complaint received as business improvement opportunity while it shows to our customers how we value all their opinions and act promptly to rectify all problems, accordingly. In 2024, the company enhanced customer satisfaction and strengthened relationships in various aspects, including product quality, sales, sales support, product-delivery services, and technical support for the application of the company's asphalt products.

Reference link for company's customer management plan : <https://www.tipcoasphalt.com/sustainability/strong-corporate-governance-transparency/customer-centric/?lang=en>

Setting customer management goals

Does the company set customer management goals : Yes

Details of setting customer management goals

Target(s)	Indicator(s)	Base year(s)	Target year(s)
• Development of customer satisfaction and customer relationship	Customer Satisfaction Survey for products and services: Domestic Customers at 85%	2024: -	2024: Domestic Customer Satisfaction Annual Target for products and services
• Development of customer satisfaction and customer relationship	Customer Satisfaction Survey for products and services: International Customers at 85%	2024: -	2024: International Customer Satisfaction Annual Target for products and services

Performance and outcomes of customer management

Performance and outcomes of customer management : Yes

In 2024, the group of companies carried out projects for customers as follows:

1. Tipco Asphalt Hosted a seminar on repairing road surface using Asphalt Concrete and Asphalt Emulsion application for customers

The company recognizes the importance of knowledge sharing with both customers and government authorities. In collaboration with the customer, a seminar was hosted on road surface repair using asphalt concrete and asphalt emulsion. The seminar aimed to enhance the knowledge of improving safety standards for public roads, covering topics such as road enhancement, maintenance, and best practices for preserving asphalt concrete pavements.

2. Safety Enhancement Project for Customer

The Company prioritizes customer safety and is committed to continuously enhancing safety measures to foster sustainable partnerships with our customers. The Phra Pradaeng plant contributed to improving safety at customer's site by installing bumper guards in a narrow area. This project aims to enhance site safety, reduce accident risks, and meet customer needs.

3. HANDS 2 HEART : CPR FOR LIFE

The Company continued to organize the project "Hand 2 Heart CPR for Life" for the Company Stakeholder. In 2024, Phitsanulok plants hosted a CPR course for 54 customer's employees, focused on airway clearance and responding to respiratory blockages. The project aims to improve survival chances for individuals experiencing sudden cardiac arrest, benefiting both families and the community.

4. Sharing Knowledge and New Trends That May Have an Impact on Customers Operational Practices

Tipco Asphalts Lao, the Tipco Asphalt's subsidiary, welcomed 16 customers and partners from Laos to visit the Tipco Asphalt headquarters and the Phra Pradaeng Plant in Samut Prakan. The visit focused on knowledge sharing about quality control and R&D in asphalt products, including a presentation on the Centralized Logistics System.

The results of the 2024 Customer Satisfaction Survey on Products and Services are as follows:

- The customer satisfaction survey for domestic customers of products and services scored 92%.
- The customer satisfaction survey for international customers of products and services also scored 92%.
- Investigations completed on time of domestic customers scored 100%
- Investigations completed on time of international customers scored 100%

This indicates that the average customer satisfaction score for both domestic and international customers exceeded the target of 85% in 2024. Additionally, an annual Voice of Customer (VOC) program is in place to gather feedback for continuous improvement in products and service processes.

Diagram of performance and outcomes of customer management

1. จัดอบรมให้ความรู้ด้านการซ่อมบำรุงผิวทางแอสฟัลต์คอนกรีตและการใช้งานแอสฟัลต์อิมัลชันให้แก่ลูกค้า
Tipco Asphalt Hosted a seminar on repairing road surface using Asphalt Concrete and Asphalt Emulsion application for customers



2. โครงการเพิ่มความปลอดภัยในโรงงานของลูกค้า
Safety Enhancement Project for Customer



3. โครงการ HANDS 2 HEART : CPR FOR LIFE ส่งต่อความห่วงใย ด้วยใจอาสาชาวทิปโก้แอสฟัลท์
HANDS 2 HEART : CPR FOR LIFE



4. การแบ่งปันองค์ความรู้ และเทรนด์ใหม่ๆ ที่อาจส่งผลต่อการดำเนินงานของลูกค้า
Sharing Knowledge and New Trends That May Have an Impact on Customers Operational Practices



Customer management: Customer satisfaction

Customer satisfaction

	2022	2023	2024
Evaluation results of customer satisfaction	Yes	Yes	Yes

Information on community and society

Community and social management plan

Company's community and social management plan : Yes

Community and social management plan implemented by the company over the past year : Education, Forests and natural resources, Occupational health, safety, health, and quality of life

Tipco Asphalt Group recognizes that its operations must consider all stakeholders, including communities, society, and the environment. To this end, the Group has established a social responsibility policy based on the ISO 26000 standard, following the concept of "Sustainable business operations with responsibility to society and communities". This policy emphasizes understanding and addressing community problems, in collaboration with stakeholders to plan solutions for sustainable development

In 2024, the majority of the social support budget focused on helping communities through activities CPR and AED Training at customer's site harnessing the Group's expertise, and on the creation of social networks maximizing communitywide benefits and shared value. The Company has continued to carry out long-term corporate social responsibility projects and activities to create connections and value throughout the Group's value chain. CSR projects and activities are formulated under our sustainability strategy covering all three dimensions and capitalizing on the expertise of the Group as follow;

- In environmental dimension the strategy focusing on "reducing Social and Environmental Impact and Protect and preserve ecosystems and biodiversity". The Group recognized the importance of increasing in the green spaces, therefore, implemented the project Integrate Development of Bueng Takreng for the new green space creation for Phitsanulok province
- Social dimension as the company strategy based on "Community Safety is Priority". the Group has implemented the "Basic Life Support" project to provide basic life-saving training to communities for a public health, aiming to reduce the mortality rate from sudden cardiac arrest. This project has received cooperation from a network of partners, public health agencies, communities, and the private sector in the area.
- Under the economic dimension where the Company strategy lies on "Innovation drives the future". the Group placed importance on continuously implementing key projects, such as "patching potholes" on roads for safe travel using Tipco Premix products that can be use easily to repair small potholes. Moreover, The Group also value the knowledge sharing to student, Community, customer, and authorities. The knowledge sharing project implemented to enhanced knowledge and understanding of asphalt products among company stakeholders.

The Group demonstrates its commitment to conducting business alongside giving back to society by creating sustainable shared value.

Setting community and social management goals

Does the company set community and social management goals : Yes

Details of setting community and social management goals

Target(s)	Indicator(s)	Base year(s)	Target year(s)
<ul style="list-style-type: none"> • Education • Forests and natural resources • Occupational health, safety, health, and quality of life 	Satisfaction level with the projects	-	2025: Satisfaction with the project is no less than 90%

Performance and outcomes of community and social management

Performance and outcomes of community and social management : Yes

At Tipco Asphalt Group, we are committed to conducting our business while giving importance to the concerns of surrounding communities, which may impact the environment, health, economy, and way of life of communities near our production plants. The main issues regarding the concerns that the organization has been monitoring are as follows:

- Environment: Communities are concerned about air pollution from dust, particulate matter, and odors from the asphalt production process, which affects the quality of life and the environment.
- Leakage of asphalt from transport vehicles: There is a risk of asphalt leakage during the transportation of raw materials and products.
- Fire: Communities are worried about the risk of fires in the plant's areas.
- Transportation and Logistics: The use of community roads for transporting raw materials and products may cause safety problems and traffic congestion.
- Transparency and Participation: Communities want to know information and participate in decisions about projects that may affect the community.

However, from dialogues with communities within a radius of no more than 5 kilometers from the factory, it was found that currently, the communities no longer have these concerns and do not have any new additional concerns.

The Group places great importance on these issues and is committed to maintaining operational standards to prevent problems that may affect the community, as well as continuously disclosing information and listening to opinions from the community. This is to ensure transparency and participation in sustainable business operations

Moreover, as part of its commitment to the community, the Group has been involved in projects aimed at improving the standard of living and supporting community participation. In 2024, the following CSR activities were carried out

1. The "Hand 2 Heart: CPR for Life" project is the Group's commitment to creating a safe and sustainable society through basic first aid and CPR training for employees and the general public. In 2024, 30 employees completed training to become basic life support instructors. They conducted training session and shared knowledge with employees, community, and other stakeholder for 681 people.

2. The Integrated Development of Bueng Takreng project is an interesting environmental conservation project by the Group in collaboration with Bang Rakam Mueangmai subdistrict municipality Phitsanulok Province. As part of ongoing efforts to conserve and develop green spaces, as well as create a new recreational area for the residents of Phitsanulok. Bueng Takreng project has been transformed into a welcoming and enjoyable environment for both local residents and visitors. The project consists of three sub-projects, each implemented over different periods. In 2024, two of these sub-projects were successfully completed, as detailed below:

2.1 The "From Home Trees to Bueng Trees" project aims to conserve trees that need to be cut down for area development by relocating them to area around Bueng Takreng. The project relocated 60 trees from the previous year make it a total of 413 trees relocated since the project's inception in 2018

2.2 The "Our Trees Our Forest for Biodiversity" project aimed to increase the biodiversity of Bueng Takreng by planted over 500 local trees in the last years, make it a total of 3,584 trees planted since project inception in 2016

3. The "Patching Potholes" project is one of the Group's efforts to reduce the risk of accidents caused by damaged roads with potholes. It involves temporary road surface maintenance using Tipco Premix product until a budget for permanent repairs is available. A total of 2 roads were repaired, covering a distance of 4.48 kilometers in the previous year.

4. The Knowledge Sharing project involves the group sharing expertise on asphalt products to enhance the learning of students, customers, and authorities in road repair using Tipco Premix products. These products allow for easy small pothole repairs and surface improvement, with hands-on practice through the project 'Patching Potholes' activity. In 2024, the group organized three projects for students as follows:

4.1 The 2nd junior Civil Engineer Volunteer project was initiated by the company joined hand with junior civil engineer club Naresuan university to provide 58 civil engineering students with the opportunity to contribute to improving the safety of transportation routes. It also aimed to impart practical knowledge on the application of Tipco Premix products in road repairs, allowing students to gain hands-on experience in the process.

4.2 The 5th Volunteer for the Civil Engineering student project, the company, in collaboration with students from the Civil Engineering Department, conducted road repairs at the entrance to Banmaethoen School, Srisatchanalai District, Sukhothai Province. A total of 218 students participated in this project, gaining valuable hands-on experience and knowledge related to road repairing using Tipco Premix

4.3 Improving the Entrance of the Faculty of Engineering, Naresuan University: The company demonstrated the application of Tipco Premix in repairing the entrance of the Faculty of Engineering office at Naresuan University. The initiative was well received, with a total of 70 participants, including students and faculty members.

Diagram of performance and outcomes in community and social management



1. Project "Hand 2 Heart: CPR for Life"



2.1 Project "From Home Tress to Bueng Trees"



2.2 Our Tress Our Forest for Biodiversity



3. Project "Patching Potholes"



4.1 The 2nd junior Civil Engineer Volunteer project



4.2 The 5th Volunteer for the Civil Engineering student project



4.3 Improving the Entrance of the Faculty of Engineering, Naresuan University

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

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

	2022	2023	2024
Total number of cases or incidents of significant legal or social and human rights violations (cases)	0	0	0
Total number of cases or incidents leading to significant labor disputes (cases)	0	0	0
The total number of cases or complaints related to partner rights violations (Cases) ⁽⁹⁾	N/A	N/A	N/A
Total number of cases or incidents leading to disputes with the community/society (cases)	0	0	0
Total number of cases or incidents related to cybersecurity or customer data breaches (cases)	0	0	0

Remark : ⁽⁹⁾ Data not available

4. Management Discussion and Analysis (MD&A)

4.1 Operation, financial condition and material changes

Operational overview

The demand for asphalt in Thailand, the Company's main market, increased significantly in Q3 2024 after the government approved the fiscal year 2024 budget, which was delayed for 7 months, in late April 2024. Additionally, the regional demand rose in other key markets such as Indonesia, Australia, and New Zealand when compared to 2023. However, the average regional price index decreased by 9.5% when compared to the previous year. This decline was attributed to soft regional demand resulting from the delays in government budgets for road construction projects in several countries, as well as an influx of low-priced asphalt from the Middle East flooding the region.

For 2024, the Company's total revenue was THB 28,220 million, with a net profit of THB 1,417 million. In comparison to 2023, the sales revenue was THB 31,352 million, and the net profit was THB 2,306 million. The decrease in net profit was primarily due to low demand in Thailand's domestic market during the first half of the year, which was affected by the delayed approval of the government budget for the fiscal year.

Analysis on the operation and financial condition

Operating results and profitability

Asphalt Business

- **Sales and services** amounted to THB 25,797 million, representing a decrease of 6.55% compared to the same period last year. This decline was primarily due to reduction in sales volume in the international market, as the company continued to focus on sales in selective high-margin markets. However, there was an increase in sales volume in the Thailand market, particularly in the second half of the year. This increase was driven by a high demand in the 3rd quarter, following the delayed approval of the government budget for the fiscal year.
- **The cost of sales and services** amounted to THB 22,743 million, representing 88.16% of the sales and services revenue (compared to 85.96% in 2023) before the reversal of the allowance for the diminution in inventory value and the hedging gain from commodity forward contracts. The gross margin decreased compared to last year due to low demand in the Thai market during the first half of the year and significantly reduced selling prices during that period. Additionally, some countries encountered challenges from low-priced shipments from the Middle East, leading to intense competition our subsidiaries faced with lower-priced rivals in key markets. The Company recorded a reversal of an allowance for the diminution in inventory value amounting to THB 13 million and a hedging gain from commodity forward contracts totaling THB 23 million in 2024.

Construction Business

- **Revenue from construction contracts** amounted to THB 2,167 million, reflecting a decline of 38.11% compared to the previous year. This significant decrease was primarily attributed to the reduced income from the 3rd Runway construction project at Suvarnabhumi International Airport, which was in its final phase of completion. Nonetheless, the Company partially handed over the new 3rd runway to the client, Airport Authority of Thailand Plc., in November 2024.
- **Construction costs** amounted to THB 2,121 million, representing 97.88% of revenue, an increase from 95.38% in 2023. The gross profit declined due to fewer project activities, while a portion of the overall costs were fixed costs.

Material Transaction (MT) and Related Party Transaction (RPT)

On 12 November 2024, the Board of Directors approved to increase the Company's shareholding in Thai Slurry Seal Company Limited (TSS) through the purchase of remaining 1,864,998 shares of TSS at the offering price of THB 200/share. The transaction's total value was THB 372,999,600 or equivalent to 37.50% of the total issued and paid-up shares of TSS. After this share acquisition, the Company now holds 99.99% of the total issued and paid-up shares of TSS.

With this increase in shareholding, the Company gained full control over the management of the construction companies, including their strategic directions, operational policies, and business plans, ensuring alignment with the Company's Mission and Vision.

Additionally, this acquisition has enhanced the competitiveness and effectiveness of our asphalt and construction businesses.

The Company completed this acquisition on 2 December 2024.

The selling and administrative expenses

The selling and administrative expenses amounted to THB 169 million and THB 1,074 million, which represented 0.60% and 3.84% of total sales and services and revenue from construction contracts, respectively. In comparison, these expenses in 2023 were THB 162 million and THB 1,100 million, accounting for 0.52% and 3.54% of total sales and services and revenue from construction contracts, respectively. The Company has continued to effectively manage overhead expenses.

Expected Credit Losses (ECL)

The Company reported expected credit losses (ECL) of THB 278 million in 2024. This was due to an increase in the outstanding balance of accounts receivable and a rise in the ECL rate percentage for the year. Additionally, the Company has a policy to make full provision for trade receivables that are deemed to be uncollectable in the future.

Net profit

Net profit for 2024 was THB 1,417 million, resulting in earnings per share of THB 0.90 (with a par value of THB 1 each). This represented a decrease from THB 1.46 per share in 2023. The decline in net profit was primarily due to reduced revenue and a lower gross profit margin in the asphalt business.

Key financial data

- At the end of 2024, total assets amounted to THB 23,798 million, reflecting an increase of THB 125 million. This growth was primarily due to increases in accounts receivable and inventory.
- At the end of 2024, total liabilities reached THB 7,696 million, which was an increase of THB 934 million as compared to year end 2023. This was largely attributed to the increase in short-term loans for working capital financing.
- Despite facing various challenges and lower operating net profit, the Company managed to deliver a strong EBITDA of THB 3,139 million in 2024.
- The Group's consolidated debt-to-equity (D/E) ratio was 0.48, and the interest-bearing debt to equity (IBD/E) ratio was 0.19, compared to 0.40 and 0.14, respectively, in the same period last year. The increase in these ratios was due to higher levels of short-term loans for funding the Company's working capital requirement.

Key factors for the Outlook

The Thai government fiscal year 2025 budget was approved in the late 3rd quarter of 2024. The Company anticipates that the demand for asphalt in Thailand will return to the normal cycle this fiscal year. We will witness strong sales in the first half of 2025 in the Thai domestic market.

Key Updates on Sustainability

In 2024, the Company has continuously integrated sustainability strategies across five dimensions: Innovation Leadership, Eco-Efficient Operations, Safety Awareness, Good Corporate and Transparency, and Value for the Future. The Company has made progress in all areas.

As for the Eco-Efficient Operations, for instance, the Company has successfully reduced its greenhouse gas (GHG) emissions that was better than the 2024 target. One of our products, "Tipco Joint Sealer," a hot-applied joint sealant used for horizontal concrete joints on roads and highways, has received the Carbon Footprint Reduction (CFR) label certification from the Thailand Greenhouse Gas Management Organization (TGO). Additionally, the Company has established an International Financial Reporting Standards (IFRS) S2 report on climate-related disclosures posted on the Company's website.

The Company received several awards and recognitions in 2024 as follows:

- A perfect score of 100 on the AGM Checklist assessment from the Thai Investor Association
- A 5-star rating on the Corporate Governance Report (CGR) for Thai Listed Companies 2024 from the Thai Institute of Directors (IOD)
- A Sustainability Disclosure Award from the Thaipat Institute

- An “AA” score on the Environmental, Social and Governance (ESG) rating from the Stock Exchange of Thailand
- A 77th percentile score on the Financial Times Stock Exchange (FTSE) Russell’s ESG rating
- A 74th percentile score on the S&P Global’s Corporate Sustainability Assessment ESG rating

These achievements reflected our commitment to our strategic goal of being a sustainable organization.

Issuance of debt securities with an obligation to maintain financial ratios

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

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

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

The Group considers the following factors or risks that may affect the financial condition or the operating results in the future

1. Change in government policy and/or authorities relating to the budget for highway construction and maintenance that may affect demand for asphalt products
2. Consistency of feedstock supply that may affect asphalt production at the KBC refinery
3. Crude oil price volatility, the major cost of asphalt production, that may affect the overall profitability of the Group

4.3 Information from financial statements and significant financial ratios

Information from financial statements

Summary of financial position statements

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Assets			
Cash And Cash Equivalents (ThousandTHB)	2,603,494.94	3,001,571.12	1,846,306.54
Trade And Other Receivables - Current - Net (ThousandTHB)	6,988,214.28	4,624,342.86	5,721,700.40
Short-term loans to related parties (ThousandTHB)	40,928.48	158,487.24	66,680.79
Inventories - Net (ThousandTHB)	4,982,918.93	4,907,953.44	5,930,426.42
Derivative Assets - Current (ThousandTHB)	150,797.19	123,343.30	27,636.41
Contract Assets - Current (ThousandTHB)	1,146,128.46	979,152.85	889,837.99
Other Current Assets (ThousandTHB)	594,394.64	585,275.43	442,623.35
Prepayments (ThousandTHB)	307,809.85	306,256.64	156,064.52
Other Current Assets - Others (ThousandTHB)	286,584.79	279,018.79	286,558.82
Total Current Assets (ThousandTHB)	16,506,876.92	14,380,126.23	14,925,211.88
Investment In Subsidiaries, Associates And Joint Ventures Using The Equity Method - Net (ThousandTHB)	642,562.04	714,565.31	696,183.19
Investment In Associates (ThousandTHB)	507,246.21	564,219.50	566,814.04
Investment In Joint Ventures (ThousandTHB)	135,315.83	150,345.81	129,369.15
Investment Properties - Net (ThousandTHB)	189,032.56	189,032.56	191,496.04

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Property, Plant And Equipment - Net (ThousandTHB)	7,586,835.84	7,001,271.12	6,669,677.90
Right-Of-Use Assets - Net (ThousandTHB)	739,555.98	753,726.58	627,948.65
Intangible Assets - Net (ThousandTHB)	191,105.89	127,413.60	105,096.36
Intangible Assets - Others (ThousandTHB)	191,105.89	127,413.60	105,096.36
Goodwill - Net (ThousandTHB)	195,932.11	195,932.11	195,932.11
Deferred Tax Assets (ThousandTHB)	107,256.15	153,078.53	231,727.93
Other Non-Current Assets (ThousandTHB)	98,025.45	148,944.66	145,688.72
Other Non-Current Assets - Others (ThousandTHB)	98,025.45	148,944.66	145,688.72
Total Non-Current Assets (ThousandTHB)	9,750,306.02	9,283,964.48	8,863,750.89
Total Assets (ThousandTHB)	26,257,182.94	23,664,090.71	23,788,962.77

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Liabilities			
Bank Overdrafts And Short-Term Borrowings From Financial Institutions (ThousandTHB)	3,230,549.08	2,164,558.03	2,935,165.27
Trade And Other Payables - Current (ThousandTHB)	3,732,364.71	2,848,103.76	2,863,800.84
Short-Term Borrowings (ThousandTHB)	110,967.31	123,870.48	58,838.48
Related Parties (ThousandTHB)	110,967.31	123,870.48	58,838.48
Derivative Liabilities - Current (ThousandTHB)	3,019.52	20,313.96	77,744.40
Contract Liabilities And Unearned Rental Income - Current (ThousandTHB)	683,309.72	438,530.59	399,072.23
Contract Liabilities And Unearned Rental Income - Others (ThousandTHB)	683,309.72	438,530.59	399,072.23
Current Portion Of Lease Liabilities (ThousandTHB)	101,790.85	114,425.06	100,120.80
Income Tax Payable (ThousandTHB)	520,014.84	121,652.54	370,165.23
Other Current Liabilities (ThousandTHB)	144,267.41	110,117.99	156,551.13
Total Current Liabilities (ThousandTHB)	8,526,283.44	5,941,572.42	6,961,458.38
Non-Current Portion Of Long-Term Debts (ThousandTHB)	322,204.16	328,125.50	219,113.27
Non-Current Portion Of Long-Term Debts - Others (ThousandTHB)	322,204.16	328,125.50	219,113.27
Derivative Liabilities - Non-Current (ThousandTHB)	N/A	N/A	13,387.68

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Provisions For Employee Benefit Obligations - Non-Current (ThousandTHB)	246,786.20	239,470.74	280,969.35
Deferred Tax Liabilities (ThousandTHB)	369,714.69	252,852.92	221,279.85
Total Non-Current Liabilities (ThousandTHB)	938,705.06	820,449.15	734,750.15
Total Liabilities (ThousandTHB)	9,464,988.49	6,762,021.57	7,696,208.53

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Shareholders' equity			
Authorised Share Capital (ThousandTHB)	1,578,361.57	1,578,361.57	1,578,361.57
Authorised Ordinary Shares (ThousandTHB)	1,578,361.57	1,578,361.57	1,578,361.57
Issued And Paid-Up Share Capital (ThousandTHB)	1,578,361.57	1,578,361.57	1,578,361.57
Paid-Up Ordinary Shares (ThousandTHB)	1,578,361.57	1,578,361.57	1,578,361.57
Premium (Discount) On Share Capital (ThousandTHB)	1,327,141.92	1,327,141.92	1,327,141.92
Premium (Discount) On Ordinary Shares (ThousandTHB)	1,327,141.92	1,327,141.92	1,327,141.92
Retained Earnings (Deficits) (ThousandTHB)	14,175,301.75	14,508,497.28	14,330,603.09
Retained Earnings - Appropriated (ThousandTHB)	172,123.33	172,123.33	172,123.33
Legal And Statutory Reserves (ThousandTHB)	172,123.33	172,123.33	172,123.33
Retained Earnings (Deficits) - Unappropriated (ThousandTHB)	14,003,178.42	14,336,373.95	14,158,479.76
Other Components Of Equity (ThousandTHB)	-848,099.98	-1,076,832.36	-1,357,858.58
Surplus (Deficits) (ThousandTHB)	-564,073.05	-564,073.05	-555,818.77
Surplus (Deficits) - Others (ThousandTHB)	-564,073.05	-564,073.05	-555,818.77
Other Components Of Equity - Others (ThousandTHB)	-284,026.93	-512,759.31	-802,039.81
Equity Attributable To Owners Of The Parent (ThousandTHB)	16,232,705.26	16,337,168.41	15,878,248.00
Non-Controlling Interests (ThousandTHB)	559,489.18	564,900.72	214,506.25

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Total Equity (ThousandTHB)	16,792,194.44	16,902,069.14	16,092,754.25
Total Liabilities And Equity (ThousandTHB)	26,257,182.94	23,664,090.71	23,788,962.77

Summary of income statement

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Statement of Comprehensive Income			
Revenue From Operations (ThousandTHB)	33,400,539.57	31,105,998.59	27,963,901.45
Revenue From Sales And Rendering Services (ThousandTHB)	30,024,760.28	27,604,647.35	25,797,009.32
Revenue From Operations - Others (ThousandTHB)	3,375,779.29	3,501,351.24	2,166,892.14
Interest And Dividend Income (ThousandTHB)	23,658.25	28,501.89	28,764.55
Interest Income (ThousandTHB)	23,658.25	28,501.89	28,764.55
Other Income (ThousandTHB)	321,858.31	246,044.80	256,578.21
Total Revenue (ThousandTHB)	33,746,056.13	31,380,545.28	28,249,244.21
Costs (ThousandTHB)	28,359,218.94	27,067,461.98	24,863,718.70
Selling And Administrative Expenses (ThousandTHB)	1,314,251.17	1,261,866.40	1,243,468.59
Selling Expenses (ThousandTHB)	160,339.65	161,681.35	169,148.94
Administrative Expenses (ThousandTHB)	1,153,911.53	1,100,185.05	1,074,319.64
(Reversal Of) Loss On Impairment (ThousandTHB)	199,941.93	-625.00	-2,675.28
(Reversal Of) Loss On Diminution In Value Of Inventories (ThousandTHB)	197.58	46,906.18	-13,145.39
Total Cost And Expenses (ThousandTHB)	29,873,609.62	28,375,609.56	26,091,366.62
Share Of Profit (Loss) From Investments Accounted For Using The Equity Method (ThousandTHB)	161,028.49	111,867.51	110,212.44

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Other Gains (Losses) (ThousandTHB)	-799,996.15	-65,162.68	-254,921.65
Gains (Losses) From Financial Instruments Measured At Fair Value Through Profit Or Loss (ThousandTHB)	-679,755.78	146,012.84	22,957.17
Other Gains (Losses) - Others (ThousandTHB)	-120,240.37	-211,175.52	-277,878.83
Profit (Loss) Before Finance Costs And Income Tax Expense (ThousandTHB)	3,233,478.86	3,051,640.54	2,013,168.38
Finance Costs (ThousandTHB)	113,215.42	142,966.42	148,028.38
Income Tax Expense (ThousandTHB)	737,552.35	583,203.24	410,964.79
Profit (Loss) For The Period From Continuing Operations (ThousandTHB)	2,382,711.09	2,325,470.88	1,454,175.22
Net Profit (Loss) For The Period (ThousandTHB)	2,382,711.09	2,325,470.88	1,454,175.22
Net Profit (Loss) For The Period / Profit (Loss) For The Period From Continuing Operations (ThousandTHB)	2,382,711.09	2,325,470.88	1,454,175.22
Gains (Losses) On Cash Flow Hedges (ThousandTHB)	151,252.56	-75,971.18	-84,830.54
Currency Translation Adjustments (ThousandTHB)	-19,833.57	-165,677.19	-199,615.30
Net changes in cost of hedging (ThousandTHB)	N/A	N/A	-7,009.44
Remeasurement Of Employee Benefit Obligations (ThousandTHB)	3,728.42	604.20	-16,690.21
Other Comprehensive Income (Expense) - Net Of Tax (ThousandTHB)	135,147.42	-241,044.17	-308,145.49

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Total Comprehensive Income (Expense) For The Period (ThousandTHB)	2,517,858.51	2,084,426.71	1,146,029.73
Net Profit (Loss) Attributable To : Owners Of The Parent (ThousandTHB)	2,366,511.14	2,305,518.25	1,417,148.28
Net Profit (Loss) Attributable To : Non-Controlling Interests (ThousandTHB)	16,199.95	19,952.63	37,026.94
Total Comprehensive Income (Expense) Attributable To : Owners Of The Parent (ThousandTHB)	2,521,808.07	2,077,390.07	1,111,177.57
Total Comprehensive Income (Expense) Attributable To : Non-Controlling Interests (ThousandTHB)	-3,949.56	7,036.64	34,852.16
Basic Earnings (Loss) Per Share (Baht/Share) (ThousandTHB)	1.50	1.46	0.90
EBITDA (ThousandTHB)	4,465,859.75	4,254,133.57	3,138,618.41
Operating Profit (ThousandTHB)	3,727,069.46	2,776,670.21	1,856,714.16
Normalize Profit (ThousandTHB)	3,075,044.75	2,304,396.53	1,709,096.88

Summary of cash flow statement

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Cash flow statement			
Profit (Loss) Before Finance Costs And/Or Income Tax Expense (ThousandTHB)	3,220,251.34	3,037,143.36	1,998,807.94
Depreciation And Amortisation (ThousandTHB)	1,232,380.89	1,202,493.03	1,125,450.02
Depreciation (ThousandTHB)	1,218,709.36	1,195,350.45	1,112,406.81
Amortisation (ThousandTHB)	13,671.53	7,142.58	13,043.22
(Reversal Of) Expected Credit Losses (ThousandTHB)	120,240.37	211,175.52	277,878.83
(Reversal Of) Loss From Diminution In Value Of Inventories (ThousandTHB)	197.58	46,906.18	-11,209.05
Share Of (Profit) Loss From Investments Accounted For Using The Equity Method (ThousandTHB)	-161,028.49	-111,867.51	-110,212.44
(Gains) Losses On Foreign Currency Exchange (ThousandTHB)	-3,697.02	18,461.11	4,960.22
(Gains) Losses On Fair Value Adjustments Of Other Financial Instruments (ThousandTHB)	-2,290.00	-50,215.64	63,831.97
(Gains) Losses On Disposal And Write-Off Of Other Assets (ThousandTHB)	-75,353.60	9,507.32	29,871.56
(Reversal Of) Impairment Loss Of Other Assets (ThousandTHB)	199,941.93	-625.00	-2,675.28
Dividend And Interest Income (ThousandTHB)	-23,658.25	-28,501.89	-28,764.55
Interest Income (ThousandTHB)	-23,658.25	-28,501.89	-28,764.55
Employee Benefit Expenses (ThousandTHB)	32,384.46	31,683.91	37,019.54

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Cash Flows From (Used In) Operations Before Changes In Operating Assets And Liabilities (ThousandTHB)	4,539,369.21	4,366,160.38	3,384,958.75
(Increase) Decrease In Trade And Other Receivables (ThousandTHB)	-2,926,309.41	2,150,018.36	-1,358,567.93
(Increase) Decrease In Inventories (ThousandTHB)	1,386,885.45	27,951.81	-1,011,208.01
(Increase) Decrease In Other Operating Assets (ThousandTHB)	-331,523.28	44,373.84	104,815.14
Increase (Decrease) In Trade And Other Payables (ThousandTHB)	758,542.67	-872,850.31	35,656.69
Increase (Decrease) In Other Operating Liabilities (ThousandTHB)	-116,228.33	-317,806.50	-9,660.60
Cash Generated From (Used In) Operations (ThousandTHB)	3,310,736.31	5,408,312.99	1,145,994.04
Income Tax (Paid) Received (ThousandTHB)	-395,811.58	-1,240,270.36	-275,729.44
Net Cash From (Used In) Operating Activities (ThousandTHB)	2,914,924.73	4,168,042.63	870,264.60
(Increase) Decrease In Short-Term Loan Receivables (ThousandTHB)	-15,702.36	-117,558.76	91,806.45
(Increase) Decrease In Short-Term Loan Receivables - Related Parties (ThousandTHB)	-15,702.36	-117,558.76	91,806.45
Proceeds From Disposal Of Fixed Assets (ThousandTHB)	539,896.88	21,529.61	27,147.20
Property, Plant And Equipment (ThousandTHB)	539,896.88	21,437.26	27,128.18
Intangible Assets (ThousandTHB)	N/A	92.36	19.02

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Payment For Purchase Of Fixed Assets (ThousandTHB)	-419,042.24	-416,901.93	-584,926.38
Property, Plant And Equipment (ThousandTHB)	-411,140.12	-410,160.61	-578,419.55
Intangible Assets (ThousandTHB)	-7,902.12	-6,741.32	-6,506.83
Dividend Received (ThousandTHB)	119,591.87	65,872.71	72,685.11
Interest Received (ThousandTHB)	23,648.12	26,818.65	29,720.24
Net Cash From (Used In) Investing Activities (ThousandTHB)	248,392.27	-430,239.73	-363,567.38
Increase (Decrease) In Bank Overdrafts And Short-Term Borrowings - Financial Institutions (ThousandTHB)	-173,376.28	-1,063,000.43	789,533.09
Increase (Decrease) In Short-Term Borrowings (ThousandTHB)	110,967.31	12,903.18	-65,032.00
Increase (Decrease) In Short-Term Borrowings - Related Parties (ThousandTHB)	110,967.31	12,903.18	-65,032.00
Repayments On Lease Liabilities (ThousandTHB)	-121,270.46	-121,958.16	-128,631.72
Dividend Paid (ThousandTHB)	-1,662,526.66	-1,974,572.16	-1,582,173.31
Interest Paid (ThousandTHB)	-103,617.87	-124,597.15	-134,973.20
Other Items (Financing Activities) (ThousandTHB)	N/A	N/A	-372,999.60
Net Cash From (Used In) Financing Activities (ThousandTHB)	-1,949,823.95	-3,271,224.73	-1,494,276.74
Net Increase (Decrease) In Cash And Cash Equivalent (ThousandTHB)	1,213,493.05	466,578.17	-987,579.52

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Effect Of Exchange Rate Changes On Cash And Cash Equivalents (ThousandTHB)	-14,860.63	10,465.41	-20,467.81
Differences Of Foreign Currency Exchange On Financial Statements Translation (ThousandTHB)	-135,754.69	-68,502.00	-147,217.25
Cash And Cash Equivalents, Beginning Balance (ThousandTHB)	1,540,617.23	2,603,494.94	3,001,571.12
Cash And Cash Equivalents, Ending Balance (ThousandTHB)	2,603,494.94	3,001,571.12	1,846,306.54

Key financial ratios

	2022	2023	2024
Profitability ratio			
Net profit margin (%)	7.08	7.43	5.16
Return on equity (ROE) (%)	14.98	14.16	8.80
Financial policy ratio			
Total debts to total equity (times)	0.56	0.40	0.48
Dividend payout ratio (%)	83.30	85.60	100.00
Efficiency ratio			
Return on asset (ROA) (%)	12.67	12.23	8.48

5. General information and other material facts

5.1 General information

General information

Securities registrar

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

Auditing firm

Name of auditing firm* : EY OFFICE LIMITED
Address/location : 33RD FLOOR, LAKE RAJADA OFFICE COMPLEX, 193/136-137
RAJADAPISEK ROAD
Subdistrict : KHLONG TOEI
District : KHLONG TOEI
Province : Bangkok
Postcode : 10110
Telephone : +66 2264 9090
Facsimile number : +66 2264 0789-90
List of auditors : Miss KRONGKAEW LIMKITTIKUL
License number : 5874
List of auditors : Mr NATTHAWUT SANTIPET
License number : 5730
List of auditors : Mr CHATCHAI KASEMSRITHANAWAT
License number : 5813

5.2 Other material facts

5.2.1 Other information that may significantly influence investors' decision making

Other information that may influence investors' decision : No
making

5.2.2 Restrictions of foreign shareholders

Are there restrictions on foreign shareholders? : No

5.3 Legal disputes

Legal disputes

Is there any legal dispute? : No

Details of legal dispute

5.4 Secondary market

Secondary market

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

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

Financial institution with regular contact

Are there any debt securities offered? : No

Part 2 Corporate Governance

6. Corporate governance policy

6.1 Overview of the policy and guidelines

Overview of the policy and guidelines

Corporate governance policy and guidelines : Yes

The Board of Directors of the Company continuously strive for good corporate governance practices to maintain the Group's sustainable development. The Group strives to protect and promote the interests of all stakeholders by observing ethical business practices based on transparency and traceability.

The Group has established the following corporate governance policy for the Board of Directors, management, and the employees to abide by:

1. The Board of Directors shall take the lead in matters of business ethics by setting the Code of Ethics to manage and monitor the Group's operations to ensure all business activities are conducted in accordance with the applicable laws and ethical standards.
2. The Board of Directors shall play an important role in the development of strategies, policies, and action plans, taking into account all pertinent risk factors, for the best interests of the Group.
3. The Board of Directors shall strive to add value to the business in the long run as well as manage the business with prudent practices to maximize shareholders' returns. This will be achieved while maintaining the highest standards of social responsibility throughout.
4. The Board of Directors shall encourage shareholders to be aware of their rights as owners of the Group, including their right to appoint the Company's Directors to act as their representatives. Shareholders are also eligible to make decisions related to any significant changes in the Group.
5. The Board of Directors shall treat all shareholders, including minority shareholders, fairly and equally.
6. The Board of Directors shall create the optimal balance between the existing needs and future expectations of the Company and all stakeholders respectively, based on sustainable, mutual, and equitable benefits.
7. The Board of Directors shall disclose information, both financial and non-financial, correctly, adequately, transparently and traceably through appropriate bilateral communication channels for the benefit of stakeholders' decision-making.

Reference link for the full version of corporate governance policy and guidelines : <https://www.tipcoasphalt.com/wp-content/uploads/2021/12/Announcement-PolicyAnnouncement14-2014CorporateGovernanceEng.pdf>

Page number of the reference link : 1

6.1.1 Policy and guidelines related to the board of directors

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

Guidelines related to the board of directors : Nomination of directors, Determination of director remuneration, Board performance evaluation, Corporate governance of subsidiaries and associated companies, Other guidelines regarding the board of directors

Nomination of directors

The Board of Directors should be composed of directors possessing all necessary qualifications as prescribed by the Policy on Director Qualifications and Nomination. There should be diversity in the educational backgrounds and credentials of the various members of the Board, as this allows the Company to benefit from a range of different experiences and viewpoints. There is to be no discrimination based on gender, age, ethnicity or nationality in the Board's operations.

The N&R committee is responsible for prescribing a set of knowledge and expertise requirements for the Board of Directors, and for formulating a Board Skill Matrix to help inform the selection and nomination of qualified candidates. These might include:

- Strategic planning
- Industry knowledge

- Accounting and finance
- International marketing
- Organization and human capital management
- Risk management

At least one of the non-executive directors should be experienced and competent in the Company's main industry.

In 2024, the Board of Directors and N&R committee reviewed and confirmed that the members of the Board of Directors collectively covered between them all 6 of the required skills. As part of a new director nomination, the N&R committee may consider the director pool from the IOD for potential candidates, if any.

Qualifications for Directors

In selecting candidates to be appointed as the Company's Directors, the Nomination and Remuneration Committee is empowered to screen and nominate qualified persons. The desirable characteristics for a director include:

1. Integrity and accountability
2. Competency in financial, commercial or industrial matters and skills/capacity to provide strategic insight and direction
3. Experience in corporate management
4. Good interpersonal and communication skills
5. Maturity and the ability to express independent opinion
6. Ability to make informed decisions
7. No conflicts of interest or prohibited characteristics as specified in the Public Limited Company Act B.E. 2535
8. Independent Directors shall possess the qualifications as specified in the Securities and Exchange Commission's guidelines and the Company's definition of an Independent Director.
9. Other qualifications as the Nomination and Remuneration Committee deems appropriate.

Directors may hold directorships in no more than five listed companies, provided these holdings do not adversely affect their work as Directors of the Company.

Reference link for the nomination of directors policy and guidelines : https://www.tipcoasphalt.com/wp-content/uploads/2021/12/Announcement-Policy/Policy_2-2016eng_1550713105.774.pdf

Page number of the reference link : 1-2

Determination of director remuneration

The N&R committee is responsible for the competitive remuneration of the Board of Directors and sub-committees. In determining appropriate remuneration, the N&R committee takes into account the scope of responsibilities of each director and the Company's long-term strategies and targets, to ensure that remuneration is comparable with the average for similar companies in the relevant industries. The final remuneration is proposed to the Board of Directors and shareholders for approval.

Board performance evaluation

The Board Self-Assessment form designed by the Stock Exchange of Thailand ("SET") is used for the assessment. The assessment consists of (i) A collective Self-assessment and (ii) Individual Self-assessments. The main objective of the self-assessment form is to evaluate the performance of the Board as a team, of the Directors as a collective body, and of individual employees, in keeping with best practices and principles of good corporate governance. The procedures are as follows:

1. The non-executive directors perform self - assessment evaluations under guidelines provided by the SET.
2. The Company Secretary summarizes the self-assessment results of all members of the Board of Directors.
3. The Company Secretary reports the self-assessment results to the Board of Directors and ensures the results are used to improve the performance of the Board.

Corporate governance of subsidiaries and associated companies

The Board of Directors has assigned the Executive Committee to appoint and transfer the Company's representative to the Board or executive position in a subsidiary/associated company in accordance with shareholding proportion. Such an appointment or transfer

shall subsequently be reported to the Board of Directors.

Roles and responsibilities of director of subsidiary/associated company

1. Ensuring that the subsidiary/associated company complies with relevant laws, regulations, Articles of Association and policy.
2. Acting in the best interest of the subsidiary/associated company and ensuring that the direction of the subsidiary/associated company's strategies, policies, and business plans are consistent with those of the Company.
3. Reporting the operating results and performance of the subsidiary/associate company to the Company on a regular basis.
4. Ensuring the subsidiary/associated company's compliance with the requirements of the Stock Exchange of Thailand where such requirements are applicable to the subsidiary/associate company, e.g. entering into related party transactions, acquisition or disposal of significant assets.
5. Ensuring that the subsidiary/associated company has appropriate and adequate internal control systems.
6. Performing any other duties in accordance with the Board of directors of the subsidiary/associate company and/or the shareholders' meeting of the subsidiary and associated company.

Other guidelines related to the board of directors

Composition and Appointment

1. The Board shall consist of at least 10 directors but not exceed 14 directors. At least half of the total number of directors must reside in the Kingdom of Thailand.
2. At least one-third of all directors must be independent directors, the minimum number of independent directors being three.
3. The Board of Directors shall elect one director to be the chairman of the Board ("Chairman") and one director to be the vice chairman ("Vice Chairman") of the Board. The Vice Chairman is entitled to perform any act under the Articles of Association on behalf of the Chairman.
4. The positions of Chairman of the Board and Chief Executive Officer are not to be held by the same individual for the sake of clear-cut segregation of roles and responsibilities.
5. The appointment of Directors must be based on transparency and clarity and shall abide by laws, regulations and relevant rules.

Reference link for the other policy and guidelines : <https://www.tipcoasphalt.com/wp-content/uploads/2023/11/Draft-Board-Charter-Eng-13-Nov-2023.pdf>

Page number of the reference link : 1-2

Term of Office

1. In every annual ordinary meeting of shareholders, one-third of directors shall vacate in proportion. If the number of directors is not a multiple of three, the number of directors closest to one-third shall vacate. A director who vacates under this section may be re-elected.
2. In the case of a vacancy in the Board of Directors for reasons other than the termination of the term of office, the Board of Directors shall elect a person who has the qualifications and is not being under any of the prohibition under section 68 of Public Limited Company Act B. E. 2535 as the substitute director at the next meeting of Board of Directors, unless the remaining term of office of the said director is less than two months. The resolution of the Board of Directors under the above paragraph shall be a vote of not less than three-fourths of number of directors remaining. The substitute director under paragraph one shall hold office only for the remaining term of office of the director whom he or she replaces.
3. Term of office of Chairman and Vice Chairman is two years.
4. In addition to vacating office upon the termination of the term under the Public Limited Company Act B.E. 2535, Directors shall vacate office upon:
 - 4.1 Death
 - 4.2 Resignation
 - 4.3 Being disqualified or being under any of the prohibitions
 - 4.4 Removal by a resolution of the meeting of shareholders
 - 4.5 Removal by court order
5. Retirement age is 75.
6. A member will be allowed to retain his/her directorship after his/her 75th birthday and remain as Director until his/her three-year term expires.

7. Any director wishing to resign from office shall submit his or her resignation letter to the Company and the resignation shall be effective from the date on which the Company receives the resignation letter.

Reference link for the other policy and guidelines : <https://www.tipcoasphalt.com/wp-content/uploads/2023/11/Draft-Board-Charter-Eng-13-Nov-2023.pdf>

Page number of the reference link : 3-4

6.1.2 Policy and guidelines related to shareholders and stakeholders

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

Guidelines and measures related to shareholders and stakeholders : Shareholders, Customer, Business competitors, Suppliers, Creditors, Other guidelines and measures related to shareholders and stakeholders

Shareholders

Shareholders have basic rights stipulated by law and by the Company's regulations, such as the right to expect a fair return, to request a verification of their number of shares, to receive share certificates, and to attend, vote and freely express their opinions at shareholders' meetings. All shareholders will receive detailed information concerning dates and agendas prior to the shareholders' meeting. Such information will be posted on the Company's website around one month prior, and related documents are submitted to shareholders at least 21 days before the meeting. The shareholders' right to attend the meetings and their right to vote on resolutions are clearly stated in the notice of the meeting submitted by the Company. The Company also believes that shareholders, as owners of the Company, have the right to make suggestions and comments on the affairs of the Company.

Rights of Shareholders

The Company shall ensure that (i) shareholders, both as investors and as owners of the Company, are entitled to all basic rights and adequate information in the Annual General Meeting ("AGM") and the AGM minutes; (ii) the Chairman of the meeting and each sub-committee attend the AGM in order to communicate with the shareholders; and (iii) the Company's shareholder structure is in compliance with relevant rules and regulations and corporate governance practices. The basic rights of the Company's shareholders are as follows:

- Prior to the 2025 Annual General Meeting (AGM), shareholders of the Company were entitled to propose agendas and questions for the 2025 Annual General Meetings. Shareholders were allowed to exercise such rights from the period 1st October 2024 to 27th December 2024 for consideration by the Board of Directors. Should any proposed agenda be included in the meeting, the Company will specify in the notice of the meeting that said agenda was proposed by a shareholder. However, in the case where the proposed agenda was rejected, the Company will inform shareholders of the reasons for its rejection at the annual general meeting of shareholders. Moreover, any shareholder is entitled to nominate any qualified candidate for election as a Board member in advance. The Nomination and Remuneration Committee will consider the proposed nominee(s) together with other nominated persons according to the Company's criteria for the nomination of directors. The Nomination and Remuneration Committee shall then present the nominee(s) to the Board for consideration before proposing them to the shareholders' meeting for approval.

- Shareholders (individuals, juristic persons, and institutional investors) are encouraged and facilitated to attend and participate in the AGM. The Company provides a Proxy Form B to shareholders who are unable to attend the AGM in person. In addition, institutional investors are invited to nominate their representatives to attend the meeting.

- An agenda concerning the Board's remuneration is included to inform the shareholders of the amount and type of remuneration received by each director, including fixed and variable remuneration, and extraordinary remuneration. Other remunerations, if any, are also stated.

- Notice of the AGM shall consist of precise and adequate data for decision-making by shareholders. In addition, the minutes of the last AGM are included, which outline the voting method, results, and any questions and comments made by shareholders.

- Shareholders are entitled to basic rights such as the right to receive dividends, propose agendas, nominate a person to be director, and approve certain matters.

- The Chairman of the Board of Directors and the Chairmen of all sub-committees attend the AGM to communicate and inform shareholders on matters relating to sub-committees.

- On the date of the meeting, the Company uses a barcode system for registration for the convenience of shareholders, since each reference number is already included in the registration and proxy forms. For each agenda, the Company will collect the ballot papers of shareholders who vote "disapprove" or "abstain" to deduct the votes from the total entitled voting rights. The Company also applies a barcode system to perform the ballot calculation to ensure immediate voting results are available for

announcement right after the end of each agenda. Shareholders are entitled to verify each voting result after the meeting.

- One-third of the directors must retire from office on a rotation basis in each AGM, and the election of directors to replace the retired directors takes place during the meeting. However, if the number of candidates exceeds the number of directors required, each candidate is then elected individually.
- At the meeting, shareholders can freely express their opinions, give suggestions, and raise questions on any agenda item before casting votes, thus ensuring that shareholders have sufficient information on the matter. Should shareholders have questions or inquiries, specialists in each field are available to answer queries on behalf of the Board of Directors.
- Shareholders who arrive after the meeting has commenced are able to vote on agenda items being considered, provided that a resolution has not yet been made. They will constitute part of the quorum starting from the agenda item.
- The Company's ownership structure in 2024 followed good corporate governance practices. For instance, the shareholding by Directors in the aggregate did not exceed 25% of total paid-up capital. In addition, free float accounted for 41.75% of total paid-up capital.

Equitable Treatment of Shareholders

The Company treats all its shareholders equitably, be they major or minor, individuals, institutions, locals or foreigners. To this effect, the Company strives to find means to ensure equality, especially for minor shareholders. These include:

- The right for shareholders to vote at meetings according to the number of shares they own, whereby one share accounts for one vote, and no particular share takes precedence over the rights of other shareholders.
- The right for shareholders to nominate candidates for directorship via the channels provided by the Company as disclosed on the Stock Exchange of Thailand.
- The Company's policy governing the use of internal information which includes employee regulations with penalties for executives or employees who disclose internal information to outsiders for personal benefit.
- The Company's Code of Ethics includes guidelines that prohibit employees from using the Company's assets, and from spending working hours conducting research, contact, or business with brokers for personal gain or for the benefit of any related parties.
- Under the Company's Code of Ethics, top executives and employees working in related departments are prohibited from trading Company shares for 21 days prior to the release of the Company's quarterly and annual financial statements (blackout period). In addition, the Board of Directors will monitor all required actions in accordance with the related standards. Any changes in the shareholding of directors are reported in the Board of Directors' meetings. These are included in the agenda of the Board of Directors meetings on a quarterly basis.
- Ordinary business transactions and ordinary business support transactions are approved by the Board of Directors according to section 89/12 of the Security and Exchange Commission Act. The standard related party transaction relies on a fair and arm's length basis. Such transactions are reported to the Board of Directors on a quarterly basis. All other related party transactions are determined by Notification of the Capital Market Supervisory Board No. Tor. Jor. 21/2551.
- Any acquisition and disposal of assets which are subject to shareholder approval are determined by the Notification of the Capital Market Supervision Board No.Tor.Jor. 20/2551.
- The Company has a clear and transparent shareholder structure. There is no crossholding of major shareholders, thereby preventing any conflicts of interest or transfer of benefits from one party to another. The shareholder structures of the Company and its subsidiaries are published in the Company's annual report, along with the holding of Board members' shares in the Company.
- The Company provides shareholders with proxy forms for the appointment of other individuals or of one of the Company's independent directors to act on their behalf. These forms have been prepared in compliance with the specifications defined by the Ministry of Commerce, in which the shareholders can exercise their voting rights as wished. These forms can also be downloaded from the Company's website. In addition, the Company provides shareholders with duty stamps to be sealed on the proxy forms for their convenience.
- The Company ensures that shareholders have adequate time to prepare for AGM attendance. In 2024, notice of the AGM was posted on the Company's website one month before the AGM date, and submitted to shareholders 21 days in advance. The notice of the AGM was issued in both Thai and in English.
- There is a clear separation of the duties and responsibilities of the Board, management, and shareholders, thereby ensuring no overlap in their duties and responsibilities. Any member of the Board of Directors or executive who may have an interest in an agenda item under consideration in a Board meeting must abstain from attending the meeting and from voting on said matter. This is to ensure that the Board of Directors and executives make decisions in a fair manner for the utmost benefit of all shareholders.

Customer

To develop and maintain sustainable relationships, the Company makes sure that customers receive equitable benefits in service, quality and price. A new Customer Support Office was established to provide product information, solve problems, and receive complaints in a way that can improve quality, service and ensure total satisfaction.

- Providing products and services commensurate with prices that fulfill their intended purposes while meeting customer needs.
- Providing products and services by taking into consideration the products' life cycle to better reduce their social and environmental impacts.
- Providing factual, non-deviant information about products and services, such as price, product quality, product characteristics in terms of health and safety, which support customers' decisions.
- Establishing fair agreements that are mutually beneficial to both the Group and our customers.
- Protecting the health and safety of customers through product research and development.
- Providing timely and meaningful support in response to any complaints and conflicts with customers.
- Protecting information to preserve the rights and privacy of our customers.
- Providing knowledge and awareness to our customers to highlight fairness of procurement and sustainable consumption.

Issues of Concern: Our relationships with customers shall not interfere with or jeopardize our business professionalism.

Business competitors

The Group also operates within a competitive business context by being fair and strictly following laws, as well as its own Code of Ethics in its dealings in the industry and markets.

- Never coercing or defaming competitors - directly or indirectly; bullying, setting trade barriers that would unfairly lessen competitors' opportunities.
- Being careful in maintaining relationships with competitors since they could be customers of our affiliates/subsidiaries.
- Never disclose the Group's intellectual property, or any of its confidential information, such as pricing policy, contractual conditions, product lists, market research reports, production plans or production capacity.
- Never violate the legal rights of competitors.
- Never setting agreements with competitors or persons that shall decrease or limit their competitiveness.

Issues of Concern:

1. Being wary of entering any binding agreements that may restrict customers' choice of purchase.
2. Being wary of setting prices or selling conditions that might be unfair to customers.

Suppliers

Operating within a competitive business context requires the building and maintaining of trust. The Group strictly adheres to its Code of Ethics, honors its promises, and upholds its commitments to trading partners in every way, including product quality and timely delivery.

- Following policies and procedures of the Group's procurement and purchasing processes.
- Selecting business partners with fairness, by comparing prices, services, technology, quality, and retaining traceable records accordingly.
- When procuring, priority must be given to business entities, except in cases where individual expertise is needed (or offers higher benefits to the Group's operations).

Issues of Concern:

1. Prudence/caution in selecting vendors who are relatives or are related to employees of the Group.
2. Making sure not to select business partners whose standards are incompatible with the Group's (such as labor practices, environmental laws, or other industry norms).

Creditors

The Group conducts its business in a manner that fully complies with the terms and conditions of its loans and obligations to all financial creditors, the details of which are as follows:

- The Group seeks the Board of Directors' approval before entering into a new loan or borrowing relationship, and provides information on all major terms and conditions under any such new loan, i.e. financial covenants, guarantee requirements,

etc.

- Once the loan agreement is executed, the Group monitors it at all times to ensure all conditions are fully complied with.
- For financial covenants, the Group examines for full compliance after the month-end account closing. All conditions and covenant compliance checks are reported to the Board by an external auditor on a quarterly basis.
- In cases where there are any adverse material conditions which may affect the ability of the Group to comply with all the terms and conditions, management is obligated to inform the Board immediately to ensure all parties are aware of such adverse conditions, and to collectively seek solutions to prevent the breach of the conditions.

Other guidelines and measures related to shareholders and stakeholders

Investor Relations

Investor Relations play a vital role in communication with external parties including investors, shareholders, stock analysts etc. regarding the Company's business and performance. The Board of Directors has established several documents including the disclosure policy and Code of Ethics to ensure that information disclosure is in accordance with relevant laws and regulations and aligns with good corporate governance and Best Investor Relation Award guidelines.

In 2024, the Company hosted and participated in several activities to connect with retail investors, institution investors and stock analysts. In adherence to good corporate governance and sustainable development, the Company presented information regarding sustainable development in the meeting.

- Analyst Meeting 4 times
- Opportunity Day by the Stock Exchange of Thailand 4 times
- One-on-One Meeting 15 times

The Company's website plays a vital role as a communication channel with the investment community. The website features stock price quotes, publications including 56-1 One reports, financial statements, MD&A, company presentations, press release etc.). The Company seeks and values feedback from external parties, and any information requests, comments and inquiries related to investor relations should be made to Mrs. Proud Chettapongsaphan at tel. +66 2273 6563, or by email at investors@tipcoasphalt.com. In accordance with the Group's commitment to continuous development, matters pertaining to investor relations including IR activities and investor/analyst feedback are reported to the Board of Directors on a regular basis.

6.2 Business code of conduct

Business code of conduct

Business code of conduct : Yes

The present prosperity, success, and stability of the Tipco Asphalt Group are the result of doing business according to its core values –ideals that have been upheld and put into practice by the Board of Directors, management, and staff at all levels. This fosters synergy in all our employees and is one of the building blocks of the Tipco Asphalt Group’s corporate governance which in turn inspires confidence in shareholders, investors and all stakeholders. All Tipco Asphalt Group employees are expected to understand and embody our core values (as set out below) in conducting the Group’s business:

Execute with TEAMWORK

- Apply individual strength to achieve team objectives
- Understand your task well
- Trust others
- Execute with speed, accuracy and competency
- Take ownership
- Share success and rewards
- Celebrate wins no matter how big or small

Act with INTEGRITY

- Within laws and ethical standards
- Zero tolerance to misconduct and unlawful activities
- Be a responsible social and corporate citizen

Proceed with PRUDENCE

- Take risk with care and anticipate the consequences
- Do thorough analysis using reliable data, intuition, experience and technology before making decisions

Show our COMMITMENT

- Put organization goals first
- Dedicate to excellence
- Respect stakeholders’ needs
- Put effort and energy to make all missions possible

Keep an OPEN-MIND

- Be approachable
- Unafraid of change
- Embrace feedback and listen attentively
- Cultivate diverse ideas

In 2024, the acknowledgment rate of all employees of the Code of Ethics was 100%. Our scope of annual acknowledgment this year expanded across employees in Asphalt Business, namely Tipco Asphalt PCL, Thai Bitumen Co.,Ltd., and Raycol Asphalt Co.,Ltd.; to employees in Construction Business, namely Thanomwongse Service Co.,Ltd., Thai Slurry Seal Co., Ltd. The process of Annual Code of Ethics Acknowledgment 2024 comprises of attending the refresh-online training course of knowledge about the Company’s Code of Ethics. The Company also conducts a post-training test with an annual online self-acknowledgment to ensure that all employees understand and are aware of the Code of Ethics.

In addition, the Group has investigated 5 cases of violations against the Code of Ethics in 2024, of which scope has been expanded to overseas subsidiaries. They are classified as follows: 1. Classified by the channel of receiving reports. We have received 5 cases of complaints or clues from the complaint and whistleblowing channels. There is no complaint through internal control channels. 2. Classified by the status of the fact examination of the 5 received cases, 4 cases’ investigation have been completed, and the Investigation Committee has submitted a summary report on the case to the Board of Directors and proposed appropriate control measures. The remaining case’s investigation is on process. 3. Classified by category of Code of Ethics’ violation. This is based on 4 cases, in which the investigation has been completed : 1 case is related to a conflict of interest, 1 case to fraud for personal gain, 1 case of irregularity to regulations, and 1 case related to labor relations issue. The full Code of Ethics is disclosed as Attachment 5.

Reference link for the full version of business code of conduct : https://www.tipcoasphalt.com/wp-content/uploads/2022/05/TBR-CPL-R-PL10r7_Eng-Final-for-Internet-and-Intranet-with-cover.pdf

Policy and guidelines related to business code of conduct

Guidelines related to business code of conduct : Prevention of misuse of inside information, Anti-corruption, Whistleblowing and Protection of Whistleblowers, Preventing the misuse of inside information, Gift giving or receiving, entertainment, or business hospitality, Information and assets usage and protection, Anti-unfair competitiveness, Information and IT system security, Human rights, Safety and occupational health at work

Prevention of misuse of inside information

The Group continuously strives for good corporate governance practices to maintain its sustainable development. To ensure professionalism and integrity in conducting our business, the Group has reviewed its Code of Ethics to minimize potential conflicts of interest between employees and the Company. Potential conflicts of interest covered by the Code of Ethics include those involving family members of employees - parents, full-blooded brothers/sisters, legal spouses, children and adopted children.

In addition to their required acknowledgement and review of the Company's Code of Ethics, all employees across sales, procurement and purchase, Management and the Board of Directors, must sign and submit the "Conflict of Interest: Acknowledgement and Disclosure Form". They have a responsibility to promptly notify the Group management in writing, with an acknowledgement by the Chief People Officer, if they, at any time, become aware of any actual or potential conflicts of interest, or if the information provided becomes inaccurate or incomplete. Therefore, all actual and potential conflicts must be disclosed whenever management and employees are discussing and making decisions related to any business matter.

Reference link for prevention of conflicts of interest : https://www.tipcoasphalt.com/wp-content/uploads/2022/05/TBR-CPL-R-PL10r7_Eng-Final-for-Internet-and-Intranet-with-cover.pdf

Page number of the reference link : 12

Anti-corruption

The Group continuously strives for good corporate governance practices to maintain the sustainable development of the Group. The Group has established an anti-corruption policy with the purpose of preventing corruption in every activity of the value-chain of the Group's business.

Corruption Definition

Corruption includes any type of bribery, such as an offer, a promise, a guarantee, an inquiry, or the acquisition of money, or asset, gift item, or any other inappropriate benefits to/from government officials, private sector staff, either by direct or indirect action such that a person could proceed with, or disregard his/her function, in order to acquire or retain business, recommend a specific company to the Group as a whole, or achieve any improper benefits in a business transaction. The above policy is reflected in the context of scrupulous observation of the following considerations:

- A zero-tolerance policy in regard to corruption by any person including directors within the Group
- The Board of Directors will determine and promote the implementation of the anti-corruption policy and lead by example
- The Board of Directors will govern and manage the Group's business operations in order to comply with the anti-corruption policy, and will communicate any anti-corruption actions to all stakeholders through the various communication channels
- The Group will continuously promote and encourage all employees and stakeholders to raise awareness for the eradication of corruption, with anti-corruption forming a key part of the orientation program to new employees. In addition, all employees shall renew their acknowledgment of the Code of Ethics annually, which includes anti-corruption
- The Group establishes strict penalty protocols for staff and Board of Director members who do not comply with the Anti-corruption Policy. These punishments include termination of employment contract or directorship
- The Group will regularly review and improve business operations in order to comply with any changes in relevant laws and anti-corruption guidelines at all times. Anti-corruption risk assessment has been performed by the Risk Management Committee (through the Risk Management Office) to constantly identify related risks, corresponding likelihood and impacts including internal controls and related working instructions to mitigate residual risks.

In addition, the Risk Management Committee established guidelines on corruption-prevention with a regular monitoring system, the results of which will be reported to the Board of Directors.

Finally, the Company had joined the “Thailand’s Private Sector Collective Action Coalition Against Corruption” (CAC) and was certified on 10 November 2017, recertified on 30 June 2020 and 30 June 2023.

Reference link for anti-corruption : https://www.tipcoasphalt.com/wp-content/uploads/2021/12/Announcement-PolicyAnti-Corruption_ENG_1621906112.96875-1.pdf

Whistleblowing and Protection of Whistleblowers

Our Group encourage all employees and any stakeholder to raise questions and concerns that they may have regarding the Company’s compliance to our Corporate Governance and Code of Ethics.

If any of our employees or stakeholders notice (or suspect) any violation or non-compliance with the Company’s Code of Ethics, they may direct their enquiries or complaints by phone, e-mail, letter or in person to inform any one of the following individuals:

- Independent Director
- Chief People Officer
- Head of Internal Audit
- Company Secretary

If the issue/complaint is raised against any employees under the Chief Executive Officer (CEO), such matter must be reported to the CEO within 24 hours and a factfinding committee will be formed to perform the investigation. The committee must report its finding to the CEO within 14 days.

If the issue/complaint is raised against the Chief Executive Officer, within 24 hours it must be reported to the Board of Directors and the factfinding committee must report its results within 14 days to the Board of Directors. The Human Capital Management Department will then collect the investigation reports, notify the whistleblower and the Board of Directors, as well as the person who received the complaint.

Reference link for whistleblowing and protection of whistleblowers : https://www.tipcoasphalt.com/wp-content/uploads/2022/05/TBR-CPL-R-PL10r7_Eng-Final-for-Internet-and-Intranet-with-cover.pdf

Page number of the reference link : 18

Preventing the misuse of inside information

Information and assets of any kind, including information systems and internal data, as well as intellectual property, licenses and software

- Recording and reporting information accurately, completely and based on facts.
- Retaining and processing information according to schedules and guidelines established by the Company, in accordance to the law.
- Avoid disclosing information that might affect the Company’s stock price to outsiders or unconcerned parties.
- Avoid giving advice on buying or selling the Company’s stock unless specifically assigned by the Company to do so.
- Employees and other persons authorized to be in charge of the Company’s information are prohibited from disclosing or conveying corporate information or secrets to unauthorized persons, including their own family members, relatives, and friends.

*Please find the full version at the attached link.

Reference link for misuse of inside information : https://www.tipcoasphalt.com/wp-content/uploads/2022/05/TBR-CPL-R-PL10r7_Eng-Final-for-Internet-and-Intranet-with-cover.pdf

Page number of the reference link : 13

Gift giving or receiving, entertainment, or business hospitality

Giving and receiving benefits that could influence decision-making

- Giving and receiving benefits that could improperly influence decision-making is strictly prohibited.
- Always refuse to be party to any financial or non-financial transaction that could compromise your duties (as a buyer or seller representing the Tipco Asphalt Group).

- Ensuring that all business processes are transparent and are in the best interests to the Company's reputation.
 - The provision of gifts, hospitality or other related financial expenses can be done only if such gifts or benefits are perceived as part of normal tradition in local community or regular practice in society. They must be provided during appropriate occasions.
 - All staff "must" not accept gift of any kind, donation, or any other benefits, on any occasion, from entities and/or individuals that do business with the Group. Exceptions are made only in the following cases:
 - o Such item was provided on behalf of organization to the Group, such as official souvenir during contract signing ceremony. Such gift received must be treated as the Group's property while the staff who received the gifts must complete and file a written report according to the Anti-corruption Guideline.
 - o Such gifts were for public relations purpose and with no commercial value, i.e. calendar, notebook and diary.
- All staff has responsibility to fully communicate to external parties the Group's guidance and policy on receiving gift, hospitality and benefits.
- All staff shall follow the Group's approval process and controls including full reporting in accordance with the Group's protocols.
 - The Group requires complete record keeping of such expenses and corresponding receipts or evidence of such.

Issues of Concern:

1. Be aware of accepting items or gifts from unclear origins or unknown reasons.
2. Be aware of giving or receiving items or presents of a higher value than what is appropriate.

Reference link for gift giving or receiving, entertainment, or business hospitality : https://www.tipcoasphalt.com/wp-content/uploads/2022/05/TBR-CPL-R-PL10r7_Eng-Final-for-Internet-and-Intranet-with-cover.pdf
 Page number of the reference link : 11-12

Information and assets usage and protection

Information and assets of any kind, including information systems and internal data, as well as intellectual property, licenses and software

- Recording and reporting information accurately, completely and based on facts.
- Retaining and processing information according to schedules and guidelines established by the Company, in accordance with the law.
 - Restricting the use of electronic equipment, electronic data, software or information technologies, according to the IT policies and allowed regulations, and to the benefit of the Company only. Usage of these equipment, data and technologies for personal business benefit or other benefits related to politics is strictly prohibited.
 - Securing authorized access codes, and never let others apply your individual access codes to gain entry into the Company's information systems.
 - The Company reserves the right to inspect usage of electronic equipment data, electronic equipment, and information technologies, such as the transfer and storage of data, without seeking permission of the relevant assigned users. This is to ensure our policies are well observed.
 - Securing the Company's intellectual property with licenses from unauthorized access, use or disclosure.
 - Any output derived from an employee's performance on the job is to be regarded as the property of the Company, unless the Company specifically states that the intellectual property produced belongs to its inventor, creator, researcher, or any other person.
 - Employees must take care of their work to ensure that reports, information, formulas, statistics, programs, techniques, processes, and facts representing the intellectual property of the Company is not violated.
 - Employees must surrender all intellectual property to the Company after the termination of employment, or as otherwise requested by the Company.
 - Complying to the intellectual property laws that apply to the country in which the Company is operating and consult with an appropriate intellectual property expert to seek advice to obtain a proper understanding. Usage of illegitimate software is prohibited.
 - Avoid disclosing information that might affect the Company's stock price to outsiders or unconcerned parties.
 - Avoid giving advice on buying or selling the Company's stock unless specifically assigned by the Company to do so.
 - Employees and other persons authorized to be in charge of the Company's information are prohibited from disclosing or conveying corporate information or secrets to unauthorized persons, including their own family members, relatives, and friends.
 - Be aware of copying, adjusting, or revising electronic equipment, electronic data, or information technologies without a proper reason.
 - Be aware of disclosing or conveying information to persons or organizations not normally entitled to receive it.

- The information system property as well as confidential data of the Company must be secured, protected from any damage, loss, and depreciation.

Issues of Concern:

1. Be aware of informing, presenting, or disclosing corporate information or documents, in any form, to any unauthorized person inside or outside the Company.
2. Be aware of hiring or engaging other external individuals, departments or business entities without a prior agreement in writing, that states the rights of, and benefits from intellectual property according to the Company's intellectual property policy.
3. Be aware of spreading rumors or giving information that would affect the Tipco Asphalt Group

Reference link for information and assets usage and protection : https://www.tipcoasphalt.com/wp-content/uploads/2022/05/TBR-CPL-R-PL10r7_Eng-Final-for-Internet-and-Intranet-with-cover.pdf

Page number of the reference link : 13-14

Anti-unfair competitiveness

Business Competition Principle Tipco Asphalt Group believe in free trade and fair treatment in business operations, on lawful basis and respect to legal rights and intellectual properties. This is to promote advancement of business and industries, and contribute to benefits of customers and society. The Group shall not involve in any actions that distort market prices and lead to disadvantage of consumers.

Reference link for anti-unfair competitiveness : https://www.tipcoasphalt.com/wp-content/uploads/2022/05/TBR-CPL-R-PL10r7_Eng-Final-for-Internet-and-Intranet-with-cover.pdf

Page number of the reference link : 5

Information and IT system security

The Group is committed to protecting against cyber threats, while at the same time mitigating overall IT risks. This Policy defines safety standards for our IT system and applications. The objective of this Policy is to provide guidance and support for IT decisions within the Group. It describes standards and procedures that reflect safe and accepted and current knowledge, guidelines, and common practice.

This Policy applies to all co-workers and business relations acting on behalf of the Group.

Reference link for information and IT system security : https://www.tipcoasphalt.com/wp-content/uploads/2022/03/IT_Security_Policy_ENG_1642753148.09375.pdf

Human rights

Tipco Asphalt Group respects basic human rights and freedoms inherent to individuals and fully aware of human rights pertaining to all stakeholder groups. The Group also understands key human rights violation issues or adverse risks that the growing Group's business operations might impact the expanding value chain. The Group places top priority on respecting human rights and hereby establishes a human rights policy to express our strong intentions to protect all employees, customers, partners, business affiliates, road users, local communities, vulnerable groups, and other stakeholders across the Group's value chain.

Reference link for human rights : https://www.tipcoasphalt.com/wp-content/uploads/2021/12/Announcement-PolicyHumanRightsPolicyEN_1620871416.625-1.pdf

Safety and occupational health at work

Tipco Asphalt Group is dedicated to the health and safety of its employees, business partners, and stakeholders. The Group has established this policy to ensure effective and efficient SSHE management.

This policy aims to promote good health and foster a safe working environment, free of injury, and illness.

Reference link for safety and occupational health at work : <https://www.tipcoasphalt.com/wp-content/uploads/2024/08/SSHE-Policy-Eng.pdf>

Promotion of compliance with the business code of conduct

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

The Group has organized the Code of Ethics training for the Board of Directors, Management, and employees as part of the orientation. Since the Code of Business Ethics may be updated and to keep it up-to-date, an annual Code of Conduct Acknowledgment has been conducted. The Board of Directors will sign on the acknowledgment paper in the third quarter meeting of the year. Management and employees may do the acknowledgment it online. In 2024, the review included the online training course on the Company's Code of Ethics in Corporate e-learning. Management and employees register and take the online test after the training. With an online annual self-acknowledgment, we can ensure that 100% of management and employees understand and are aware of the Code of Ethics guidelines.

Reference link for the process of promotion for the board of directors, executives, and employees to comply with the business code of conduct : https://www.tipcoasphalt.com/wp-content/uploads/2022/05/TBR-CPL-R-PL10r7_Eng-Final-for-Internet-and-Intranet-with-cover.pdf

Page number of the reference link : 21-22

Diagram of promotion of compliance with the business code of conduct



Email reminder to executives and employees, showing the process of online training, taking tests, and self-certification for the year 2024.

Participation in anti-corruption networks

Participation or declaration of intent to join anti-corruption networks : Yes

Anti-corruption networks or projects the company has joined or declared intent to join : Thai Private Sector Collective Action Against Corruption (CAC)
CAC membership certification status : Certified ,
United Nations Global Compact (UNGC)

Diagram of participation in anti-corruption networks

วันต่อต้านคอร์รัปชัน 2567

ESG... 6 เหมือนมีแต่ของไม่เห็น

งานจะเริ่มในเวลา **09:00** น.

พบกับรายการ **สุดพิเศษ ทอล์ก**

Speakers:

- คุณรณเดช กุลปิตวัน (Doramas BrandAge)
- คุณจรัพร จารุรสกุล (ประธานคณะกรรมการบริษัท และ ประธานฝ่ายปฏิบัติการ WHA Group)
- คุณณรงค์เวทย์ วงพานิช (กรรมการผู้จัดการ บริษัท เคเออีเอสแอนด์ดับเบิล โปรดักส์ จำกัด (มหาชน))
- คุณอดิคุณ เหมอัญญาโชค แมคไดเนลด์ (ประธานเจ้าหน้าที่บริหาร Easy Car กลุ่มบริษัทไฮลู่อู)
- ดร.มานะ นิมิตรมงคล (ประเทศไทย)
- ดร.วิทย์ สิริวิวัฒน์ (ผู้ดำเนินรายการ)

The Company participated in the 2024 Anti-Corruption Day event through an online platform on 6 September 2024.

AGAINST CORRUPTION

LIVE 10:40:54

Change for Good DOPA CHANNEL

ในวันต่อต้านคอร์รัปชันสากล (ประเทศไทย) ***

ถ่ายทอดสดงานวันต่อต้านคอร์รัปชันสากล (ประเทศไทย)

The Company participated in the 2024 International Anti-Corruption Day (Thailand) event through an online platform on 9 December 2024.

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

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

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

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

The Company fully recognizes the importance of corporate governance, which is a crucial part of the pursuit of sustainable growth. To this end, reviews on policy, guidelines, and corporate governance systems, were conducted on a continued basis with results presented to both the Sustainable and Development and Corporate Governance Committees and the Board of Directors. In 2024, the Board of Directors approved the reviewed results of the Board charter in the Board of Directors Meeting No. 5/2024 held on 12 November 2024.

6.3.2 Implementation of the CG Code for listed companies

Implementation of the CG Code as prescribed by the SEC : Mostly used in practice

The Company acts in accordance with the 2017 Corporate Governance Code for Listed Companies (CG Code) issued by the Securities and Exchange Commission. Following the Corporate Governance Committee's recommendation, the Board of Directors reviewed the application of the CG Code's Principles and Sub-Principles including reasons for not following certain Sub-Principles and recorded these observations as board resolutions in 2023. The sub-principles which the Company has chosen not to follow are explained as follows:

3.2.5 The board should establish the policy that the tenure of an independent director should not exceed a cumulative term of nine years from the first day of service. Upon completing nine years, an independent director may continue to serve on the board, subject to the board's rigorous review of his/her continued independence.

Explanation: The Company's Board of Directors trusts that we have carefully selected and nominated our independent directors. Throughout their tenures, they remain adept, ethical and continue to contribute satisfactorily to the sustainable growth and development of the Company. It is obvious they fully understand their roles and responsibilities to both core and minority shareholders alike. This is reflected in our average CGR score of above 90% for the past four years and further reflected in the votes received by independent directors in their re-election at the past annual general shareholders' meetings. The past reelection voting by shareholders stands at 98% on average.

3.3.1 The board should establish a nomination committee. The majority of its members and the chairman should be independent directors.

3.4.1 The board should establish a remuneration committee with the majority of its members and the chairman being independent directors. The remuneration committee is responsible for setting the remuneration policy.

Explanation: Nomination and Remuneration committee consists of 50% independent directors. Despite less than majority of independent directors, Chairman of the Committee is independent. In addition, no action of the Committee will be taken in the absence of unanimous approval of all members attending the Committee meeting.

3.7.3 The company should appoint an external consultant to assist in setting guidelines and providing recommendations for the board assessment at least once every three years. This information should be disclosed in the annual report.

Explanation: The Company has conducted the Board of Directors assessment using the forms designed by the Stock Exchange of Thailand. The assessment was conducted on both collective and individual bases and is deemed adequate.

3.9.2 The number of board meetings should be appropriate to the obligations and responsibilities of the board and nature of the business, but the board should meet at least six times per financial year. If the board meetings are not held monthly, the board should receive a report on the company's performance for the months in which the board does not hold a meeting, so that it can monitor management and company performance continuously and promptly.

Explanation: In 2024, there are 5 board meetings which cover all topics under Act of Public Company Limited. During each meeting, summary of important matters occurred between the board meetings are also reported.

8.2.6 All directors and relevant executives should attend the meeting to answer questions from shareholders on company-related matters.

Explanation: Although all directors did not participate in the AGM, all the chairman of sub-committees' attended the AGM to answer questions from shareholders.

6.3.3 Other corporate governance performance and outcomes

The Board of Directors recognizes the importance of corporate governance in the Company's sustainable development, in creating shareholder value, and in securing trust from all stakeholders, including shareholders, employees, customers, business partners, competitors, and creditors.

In 2024, the Company received a Corporate Governance Report (CGR) of 5 stars or "Excellent" from the Thai Institute of Directors Association ("IOD"). Additionally, the Company achieved a perfect score of 100% in the Annual General Meeting (AGM) assessment program conducted by the Thai Investors Association. Furthermore, the Company was honored with the Sustainability Disclosure Award for the 6 consecutive years by the ThaiPat Institute.

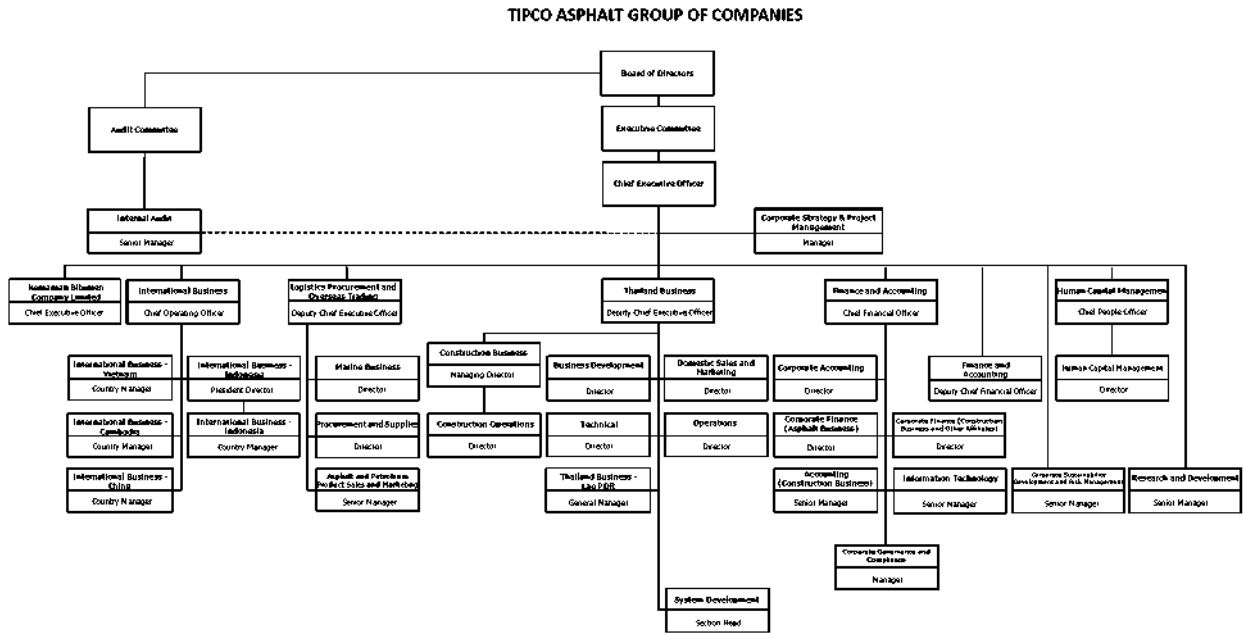
7. Corporate governance structure and significant information related to the board of directors, subcommittees, executives, employees, and others

7.1 Corporate governance structure

Corporate governance structure diagram

Corporate governance structure as of date : 31 December 2024

Corporate governance structure diagram



7.2 Information on the board of directors

7.2.1 Composition of the board of directors

	Number (persons)	Percent (%)
Total directors	12	100.00
Male directors	12	100.00
Female directors	0	0.00
Executive directors	2	16.67
Non-executive directors	10	83.33
Independent directors	6	50.00
Non-executive directors who have no position in independent directors	4	33.33

7.2.2 The information on each director and controlling person

List of the board of directors

List of directors	Position	First appointment date of director	Skills and expertise
<p>1. Mr. Chainoi Puankosoom Gender: Male Age : 74 years Highest level of education : Master's degree Study field of the highest level of education : Management Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Chairman of the board of directors (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	13 Aug 2015	Construction Materials, Petrochemicals & Chemicals, Property Development, Accounting
<p>2. Mr. Koh Ban Heng Gender: Male Age : 76 years Highest level of education : Bachelor's degree Study field of the highest level of education : Business Administration Thai nationality : No Residence in Thailand : No Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : No DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Vice-chairman of the board of directors (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	1 Jul 2011	Construction Materials, Petrochemicals & Chemicals, Business Administration

List of directors	Position	First appointment date of director	Skills and expertise
<p>3. Mr. Somchit Sertthin Gender: Male Age : 72 years Highest level of education : Bachelor's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : Yes</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 31,000,000 Shares (1.964062 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 12,000,000 Shares (0.760282 %) <p><u>Indirect shareholding details</u></p> <p>the shares are held by Mr. Somchit's wife.</p>	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Continuing director (Full term of directorship and being re-appointed as a director)</p>	29 Apr 1994	Construction Materials, Banking, Petrochemicals & Chemicals, Finance, Business Administration
<p>4. Mr. Chaiwat Srivalwat Gender: Male Age : 64 years Highest level of education : Bachelor's degree Study field of the highest level of education : Engineering Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : No DCP course : Yes</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 3,000,000 Shares (0.190071 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Director (Executive Directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	13 Feb 2002	Construction Materials, Engineering, Strategic Management, Risk Management, Governance/ Compliance

List of directors	Position	First appointment date of director	Skills and expertise
<p>5. Mr. Niphon Suthimai Gender: Male Age : 66 years Highest level of education : Master's degree Study field of the highest level of education : Operational Research Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Continuing director (Full term of directorship and being re-appointed as a director)</p>	16 Feb 2006	Law, Construction Materials, Internal Control, Strategic Management, Transportation & Logistics
<p>6. Mr. Nopporn Thepsithar Gender: Male Age : 70 years Highest level of education : Honorary degree Study field of the highest level of education : Logistics and Supply Chain Management Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Continuing director (Full term of directorship and being re-appointed as a director)</p>	27 Apr 2012	Transportation & Logistics, Construction Materials, Engineering, Internal Control, Risk Management

List of directors	Position	First appointment date of director	Skills and expertise
<p>7. Mr. Phirasilp Subhapholsiri Gender: Male Age : 71 years Highest level of education : Bachelor's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	14 May 2013	Accounting, Construction Materials, Banking, Finance & Securities, Internal Control
<p>8. Mr. Jacques Marcel Pastor Gender: Male Age : 70 years Highest level of education : Master's degree Study field of the highest level of education : Management Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : Yes</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	1 Aug 2000	Construction Materials, Construction Services, Energy & Utilities, Business Administration

List of directors	Position	First appointment date of director	Skills and expertise
<p>9. Mr. Jean Marie Verbrugge Gender: Male Age : 73 years Highest level of education : Bachelor's degree Study field of the highest level of education : Business Administration Thai nationality : No Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : No DCP course : Yes</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	7 Apr 2020	Construction Materials, Construction Services, Business Administration
<p>10. Mr. Frederic Jacques Maurice Roussel Gender: Male Age : 57 years Highest level of education : Master's degree Study field of the highest level of education : Engineering Thai nationality : No Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : No DCP course : Yes</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Director (Executive Directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	11 Aug 2022	Engineering, Construction Materials, Business Administration, Construction Services

List of directors	Position	First appointment date of director	Skills and expertise
<p>11. Mr. Pierre Vanstoflegatte Gender: Male Age : 56 years Highest level of education : Master's degree Study field of the highest level of education : Business Development Thai nationality : No Residence in Thailand : No Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : No DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	13 Nov 2023	Construction Materials, Engineering, Business Administration
<p>12. ACM Pongsatorn Buasup Gender: Male Age : 72 years Highest level of education : Bachelor's degree Study field of the highest level of education : National Defence College Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : Yes</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Newly appointed director to replace the ex-director</p>	17 Jan 2024	Public Administration, Leadership

Additional explanation :

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

(1) Dishonest act or gross negligence

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

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

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

List of the board of directors by position

List of the board of directors	Position	Executive directors	Non-executive directors	Independent directors	Non-executive directors who have no position in independent directors	Authorized directors as per the company's certificate of registration
1. Mr. Chainoi Puankosoom	Chairman of the board of directors		✓	✓		
2. Mr. Koh Ban Heng	Vice-chairman of the board of directors		✓	✓		
3. Mr. Somchit Serththin	Director		✓		✓	✓
4. Mr. Chaiwat Srivalwat	Director	✓				✓
5. Mr. Niphon Suthimai	Director		✓	✓		
6. Mr. Nopporn Thepsithar	Director		✓	✓		
7. Mr. Phirasilp Subhapholsiri	Director		✓	✓		
8. Mr. Jacques Marcel Pastor	Director		✓		✓	✓
9. Mr. Jean Marie Verbrugge	Director		✓	✓		
10. Mr. Frederic Jacques Maurice Roussel	Director	✓				✓
11. Mr. Pierre Vanstoflegatte	Director		✓		✓	✓
12. ACM Pongsatorn Buasup	Director		✓		✓	
Total (persons)		2	10	6	4	5

Overview of director skills and expertise

Skills and expertise	Number (persons)	Percent (%)
1. Banking	2	16.67
2. Finance & Securities	1	8.33
3. Petrochemicals & Chemicals	3	25.00
4. Construction Materials	11	91.67
5. Construction Services	3	25.00

Skills and expertise	Number (persons)	Percent (%)
6. Property Development	1	8.33
7. Energy & Utilities	1	8.33
8. Transportation & Logistics	2	16.67
9. Law	1	8.33
10. Accounting	2	16.67
11. Finance	1	8.33
12. Engineering	4	33.33
13. Leadership	1	8.33
14. Strategic Management	2	16.67
15. Risk Management	2	16.67
16. Internal Control	3	25.00
17. Governance/ Compliance	1	8.33
18. Public Administration	1	8.33
19. Business Administration	6	50.00

Information about the other directors

The chairman of the board and the highest-ranking executive : No
are from the same person

The chairman of the board is an independent director : Yes

The chairman of the board and the highest-ranking executive : No
are from the same family

Chairman is a member of the executive board or taskforce : No

The company appoints at least one independent director to : No
determine the agenda of the board of directors' meeting ⁽¹⁰⁾

Remark : ⁽¹⁰⁾The Chairman of the Board is an Independent Director.

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

The measures for balancing the power between the board of : No
directors and the Management

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

Board charter : Yes

The Board of Directors have a commitment to its fiduciary duties and responsibilities and shall ensure the Company is managed and operated in the best interests of shareholders. To adhere to these fiduciary duties, each director commits to the following key duties:

1. To perform duties with due care (Duty of Care);
2. To perform their duties with loyalty to protect the best interests of the Company and shareholders (Duty of Loyalty);
3. To comply with laws and regulations, the Company's objectives, the Company's articles of association, and the resolutions of the Board of Directors and shareholders' meetings (Duty of Obedience); and
4. To disclose information to the shareholders in an accurate, complete, transparent and timely manner (Duty of Disclosure).

The basic responsibility of the Directors is to exercise their business judgment in the best interest of the Company's shareholders, while bolstering the Group's sustainable growth. The Board shall ensure that each director performs his/ her duty in accordance with all relevant laws and regulations. To fulfill its responsibilities, the Board of Directors shall:

1. Establish Clear Leadership Role and Responsibilities of the Board
2. Define Objectives that Promote Sustainable Value Creation
3. Strengthen Board Effectiveness
4. Ensure Effective CEO and People Management
5. Nurture Innovation and Responsible Business
6. Strengthen Effective Risk Management and Internal Control
7. Ensure Disclosure and Financial Integrity
8. Ensure Engagement and Communication with Shareholders

Reference link for the board charter : https://tipcowebstestorage.blob.core.windows.net/prodcontainer/2022/02/BOD_Charter_Eng_Final.pdf

7.3 Information on subcommittees

7.3.1 Information on roles of subcommittees

Roles of subcommittees

Audit Committee

Role

- Audit of financial statements and internal controls

Scope of authorities, role, and duties

The scope, powers, duties and responsibilities disclosed in the Audit Committee Charter on page 2 at the specified link.

Reference link for the charter

<https://www.tipcoasphalt.com/wp-content/uploads/2023/05/Audit-Committee-CharterEN-022022.pdf>

Sustainable Development and Corporate Governance Committee

Role

- Corporate governance
- Sustainability development

Scope of authorities, role, and duties

The scope, powers, duties and responsibilities disclosed in the Sustainable Development and Corporate Governance Committee Charter on page 2-3 at the specified link.

Reference link for the charter

<https://tipcowebstestorage.blob.core.windows.net/prodcontainer/2022/02/SDCG-Charter-v.3.pdf>

Nomination and Remuneration Committee

Role

- Director and executive nomination
- Remuneration

Scope of authorities, role, and duties

The scope, powers, duties and responsibilities disclosed in the Nomination and Remuneration Committee Charter on page 1 at the specified link.

Reference link for the charter

<https://tipcowebstestorage.blob.core.windows.net/prodcontainer/2022/02/NR-charter-14-Jan-2021-Eng-.pdf>

Risk Management Committee

Role

- Risk management

Scope of authorities, role, and duties

The scope, powers, duties and responsibilities disclosed in the Risk Management Committee Charter on page 2 at the specified link.

Reference link for the charter

<https://www.tipcoasphalt.com/wp-content/uploads/2024/11/Charter-of-the-Risk-Management-Committee.pdf>

Executive Committee

Role

- Other
 - Establishing policies and operating procedures of the Company

Scope of authorities, role, and duties

The scope, powers, duties and responsibilities disclosed in the Risk Management Committee Charter on page 2 at the specified link.

Reference link for the charter

<https://tipcowebstestorage.blob.core.windows.net/prodcontainer/2022/02/EC-Charter-ENG-13-Aug-19-v.1.pdf>

7.3.2 Information on each subcommittee

List of audit committee

List of directors	Position	Appointment date of audit committee member	Skills and expertise
<p>1. Mr. Phirasitp Subhapholsiri^(*) Gender: Male Age : 71 years Highest level of education : Bachelor's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : Yes</p>	<p>Chairman of the audit committee (Non-executive directors, Independent director) Director type : Existing director</p>	11 Apr 2016	Accounting, Construction Materials, Banking, Finance & Securities, Internal Control
<p>2. Mr. Nopporn Thepsithar^(*) Gender: Male Age : 70 years Highest level of education : Honorary degree Study field of the highest level of education : Logistics and Supply Chain Management Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : Yes</p>	<p>Member of the audit committee (Non-executive directors, Independent director) Director type : Existing director</p>	11 May 2012	Transportation & Logistics, Construction Materials, Engineering, Internal Control, Risk Management
<p>3. Mr. Niphon Suthimai^(*) Gender: Male Age : 66 years Highest level of education : Master's degree Study field of the highest level of education : Operational Research Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : Yes</p>	<p>Member of the audit committee (Non-executive directors, Independent director) Director type : Existing director</p>	14 Jan 2021	Law, Construction Materials, Internal Control, Strategic Management, Transportation & Logistics

Additional explanation :

(*) Directors with expertise in accounting information review

List of executive committee members

List of directors	Position	Appointment date of executive committee member
<p>1. Mr. Chaiwat Srivalwat Gender: Male Age : 64 years Highest level of education : Bachelor's degree Study field of the highest level of education : Engineering Thai nationality : Yes Residence in Thailand : Yes</p>	<p>Chairman of the executive committee</p>	<p>13 Feb 2002</p>
<p>2. Mr. Frederic Jacques Maurice Roussel Gender: Male Age : 57 years Highest level of education : Master's degree Study field of the highest level of education : Engineering Thai nationality : No Residence in Thailand : Yes</p>	<p>Vice-chairman of the executive committee</p>	<p>11 Aug 2022</p>
<p>3. Mr. Soranard Nantamontry Gender: Male Age : 51 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes</p>	<p>Member of the executive committee</p>	<p>11 Aug 2021</p>
<p>4. Mr. Christophe Bernard Voy Gender: Male Age : 58 years Highest level of education : Bachelor's degree Study field of the highest level of education : Business Administration Thai nationality : No Residence in Thailand : Yes</p>	<p>Member of the executive committee</p>	<p>15 Feb 2017</p>
<p>5. Mr. Thierry Alain Simon Defrene Gender: Male Age : 54 years Highest level of education : Bachelor's degree Study field of the highest level of education : Engineering Thai nationality : No Residence in Thailand : Yes</p>	<p>Member of the executive committee</p>	<p>11 Jan 2018</p>

List of directors	Position	Appointment date of executive committee member
6. Mr. Jacques Marechal Gender: Male Age : 59 years Highest level of education : Master's degree Study field of the highest level of education : Finance Thai nationality : No Residence in Thailand : Yes	Member of the executive committee	27 Apr 2012
7. Mrs. Orn-a-nong Witchucharn Gender: Female Age : 52 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes	Member of the executive committee	1 Mar 2024

Other Subcommittees

Subcommittee name	Name list	Position
Sustainable Development and Corporate Governance Committee	Mr. Phirasilp Subhapholsiri	The chairman of the subcommittee (Independent director)
	Mr. Chaiwat Srivalwat	Member of the subcommittee
	Mr. Frederic Jacques Maurice Roussel	Member of the subcommittee
	Mr. Niphon Suthimai	Member of the subcommittee (Independent director)
Nomination and Remuneration Committee	Mr. Nopporn Thepsithar	The chairman of the subcommittee (Independent director)
	Mr. Koh Ban Heng	Member of the subcommittee (Independent director)
	Mr. Somchit Sertthin	Member of the subcommittee
	Mr. Frederic Jacques Maurice Roussel	Member of the subcommittee

Subcommittee name	Name list	Position
Risk Management Committee	Mr. Chaiwat Srivalwat	The chairman of the subcommittee
	Mr. Frederic Jacques Maurice Roussel	Member of the subcommittee
	Mr. Thierry Alain Simon Defrene	Member of the subcommittee
	Mr. Soranard Nantamontry	Member of the subcommittee
	Mrs. Orn-a-nong Witchucharn	Member of the subcommittee
	Mrs. Udomporn Punpatch	Member of the subcommittee
	Mr. Christophe Bernard Voy	Member of the subcommittee
	Mr. Jacques Marechal	Member of the subcommittee
	Mr. Sanjay Grover	Member of the subcommittee
	Mr. Puwanat Wantanachaisaeng	Member of the subcommittee
	Mrs. Sarinee Chumchuensuk	Member of the subcommittee
	Mrs. Orn-a-nong Witchucharn	Member of the subcommittee
	Ms. Promporn Kanjanarat	Member of the subcommittee
	Mr. Martin Brzuska	Member of the subcommittee
	Ms. Chitmanee Chiranantaratana	Member of the subcommittee
	Mr. Kris Serththin	Member of the subcommittee
	Mr. Suphat Pipitawan	Member of the subcommittee
	Mr. Surapon Katekaew	Member of the subcommittee
Mr. Yutapol Siewthaisong	Member of the subcommittee	

7.4 Information on the executives

7.4.1 List and positions of the executive

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

List of executives	Position	First appointment date	Skills and expertise
<p>1. Mr. Chaiwat Srivalwat Gender: Male Age : 64 years Highest level of education : Bachelor's degree Study field of the highest level of education : Engineering Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No</p>	<p>CHIEF EXECUTIVE OFFICER (The highest-ranking executive)</p>	<p>13 Aug 2019</p>	<p>Construction Materials, Engineering, Strategic Management, Risk Management, Governance/ Compliance</p>
<p>2. Mr. Soranard Nantamonry Gender: Male Age : 51 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No</p>	<p>Deputy Chief Executive Officer - Thailand Business</p>	<p>1 Apr 2024</p>	<p>Engineering</p>
<p>3. Mr. Thierry Alain Simon Defrene Gender: Male Age : 54 years Highest level of education : Bachelor's degree Study field of the highest level of education : Engineering Thai nationality : No Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No</p>	<p>Deputy Chief Executive Officer - Logistics and Procurement</p>	<p>3 Feb 2023</p>	<p>Engineering</p>

List of executives	Position	First appointment date	Skills and expertise
<p>4. Mr. Christophe Bernard Voy Gender: Male Age : 58 years Highest level of education : Bachelor's degree Study field of the highest level of education : Business Administration Thai nationality : No Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No</p>	Chief Operating Officer - International Business	4 Aug 2016	Business Administration
<p>5. Mrs. Udornporn Punpatch Gender: Female Age : 63 years Highest level of education : Master's degree Study field of the highest level of education : Human Resources Management Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No</p>	Chief People Officer	1 Jun 2021	Human Resource Management
<p>6. Mrs. Orn-a-nong Witchucharn^(*) Gender: Female Age : 52 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : Yes Accounting supervisor : No</p>	Chief Financial Officer	1 Mar 2024	Business Administration, Accounting, Finance

List of executives	Position	First appointment date	Skills and expertise
7. Mr. Frederic Jacques Maurice Roussel Gender: Male Age : 57 years Highest level of education : Master's degree Study field of the highest level of education : Engineering Thai nationality : No Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	Executive Committee Member	10 Aug 2022	Engineering, Construction Materials, Business Administration, Construction Services

Additional Explanation :

() Highest responsibility in corporate accounting and finance*

*(**) Accounting supervisor*

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

7.4.2 Remuneration policy for executive directors and executives

The N&R committee assesses the performance of the Chief Executive Officer and Executive Directors and proposes their remuneration packages for approval by the Board of Directors by taking into account the following:

1. Performance-based pay – The pay shall be subject to the achievement of the Group's performance, based on Key Performance Indicators (KPIs) of financial, customer, internal/business process and learning and growth perspectives.
2. Strategic initiatives of the Group – the progress of corporate strategies per the Vision 2025 to add value to the business and shareholders.
3. Competitive compensation policy – the compensation is benchmarked with other listed companies in the same industry, adopting an entrepreneurial approach with emphasis on the performance-based bonus to be competitive with other companies.

Remuneration Structure of the Chief Executive Officer and Executive Directors

The package includes remuneration paid in cash i.e. salary, which is reviewed annually; the bonus is variable and dependent on yearly performance. Other forms of compensation include the provident fund scheme, health and life insurance policy(s), and employee stock options program.

Does the board of directors or the remuneration committee : Yes
 have an opinion on the remuneration policy for executive
 directors and executives

The Company's fixed remuneration for members of the Board was determined by benchmarking with the latest Directors Remuneration Survey prepared by the Thai Institute of Directors (IOD) in 2024. The comparison clearly indicated that the Company's current fixed remuneration of the Board of Directors and sub-committee remains comparable.

7.4.3 Remuneration of executive directors and executives

Monetary remuneration of executive directors and executives

	2022	2023	2024
Total remuneration of executive directors and executives (baht)	70,460,000.00	63,350,000.00	71,000,000.00

The package includes remuneration paid in cash, i.e. salary, which is reviewed annually and the bonus, which is variable and

dependent on yearly performance.

Other remunerations of executive directors and executives

	2022	2023	2024
Employee Stock Ownership Plan (ESOP)	No	No	No
Employee Joint Investment Program (EJIP)	No	No	No

Other forms of compensation include the provident fund scheme, health and life insurance policy(s), and employee stock options program.

Outstanding remuneration or benefits of executive directors and executives

Outstanding remuneration or benefits of executive directors : 0.00
and executives in the past year

Estimated remuneration of executive directors and executives : 0.00
in the current year

7.5 Information on employees

Information on the company's employees

Employees

	2022	2023	2024
Total employees (persons)	2,136	2,030	1,942
Male employees (persons)	1,672	1,592	1,519
Female employees (persons)	464	438	423

Number of employees by position and department

Number of male employees by position

	2022	2023	2024
Total number of male employees in operational level (Persons)	1,530	1,451	1,374
Total number of male employees in management level (Persons)	119	119	123
Total number of male employees in executive level (Persons)	23	22	22

Number of female employees by position

	2022	2023	2024
Total number of female employees in operational level (Persons)	407	384	367
Total number of female employees in management level (Persons)	52	45	47
Total number of female employees in executive level (Persons)	5	9	9

Number of employees categorized by department over the past year

Department / Line of work / Unit / Business group	Number of employees
TIPCO ASPHALT PUBLIC COMPANY LIMITED	382
THAI BITUMEN COMPANY LIMITED	62
RAYCOL ASPHALT COMPANY LIMITED	49
ALPHA MARITIME COMPANY LIMITED	35
TASCO SHIPPING COMPANY LIMITED	39
BITUMEN MARINE COMPANY LIMITED	34

Department / Line of work / Unit / Business group	Number of employees
RAVANA 1020 COMPANY LIMITED	0
TIPCO MARITIME COMPANY LIMITED	24
THAI SLURRY SEAL COMPANY LIMITED	169
THANOMWONGSE SERVICE COMPANY LIMITED	314
Subsidiaries in Cambodia	94
Subsidiaries in China	44
Subsidiaries in Malaysia	198
Subsidiaries in Singapore and Vietnam	220
Subsidiaries in Indonesia	245
Subsidiaries in Laos	33
Total number of employees	1,942

Significant changes in the number of employees

Significant changes in number of employees over the past 3 : No
Years

Information on employee remuneration

Employee remuneration

	2022	2023	2024
Total employee remuneration (baht) ⁽¹¹⁾	1,472,094,561.21	1,447,916,275.27	1,422,482,412.76

Remark : ⁽⁶⁾ There is a change in historical figure references from 2024 financial statements

⁽¹¹⁾ There is a change in historical figure references from 2024 financial statements

Provident fund management policy

Provident fund management policy : Have

As part of the selection of the provident fund manager, the Company strongly encourages the welfare committee to consider asset management companies which adopt the Investment Governance Code: (“I Code”). The asset management company shall consider the environment, society and governance as part of investment. In this regard, the Company appointed “Principal Asset Management Company Limited” as its provident fund manager. In our commitment to long-term benefits, guidelines for fund manager selection are shared to members of the provident fund.

Provident fund for employees (PVD)

Number of employees joining in PVD is only those in Tipco Asphalt group registered in Thailand, including Tipco Asphalt Public Company Limited, Raycol Asphalt Co.,Ltd., Thai Bitumen Co.,Ltd., Thanomwongse Service Co.,Ltd., Thai Slurry Seal Co., Ltd., and Tipco Maritime Co.,Ltd. As of ending 2024, the total number of employees joining PVD is 680 persons, from a total number of 1,000 employees in Thailand (excluding 942 employees in overseas). However, there are also some, who are not eligible to participate in the PVD because they are staffs under time-bound contracts.

	2022	2023	2024
Number of employees joining in PVD (persons)	854	741	680
Proportion of employees who are PVD members (%)	39.67	36.50	35.02
Total amount of provident fund contributed by the company (baht)	1,757,266.00	1,704,560.38	1,724,339.17

7.6 Other significant information

7.6.1 Assigned person

List of persons assigned for accounting oversight

General information	Email	Telephone number
1. Ms. NATTAMON INGKAPRADIT	nattamon_ing@tipcoasphalt.com	022736000

List of the company secretary

General information	Email	Telephone number
1. Mrs. Proud Chettapongsaphan	proud_che@tipcoasphalt.com	022736563

List of the head of internal audit or outsourced internal auditor

General information	Email	Telephone number
1. Mr. Joseph Soosay	joseph@tipcoasphalt.com	022736000

List of the head of the compliance unit

General information	Email	Telephone number
1. Mrs. Proud Chettapongsaphan	proud_che@tipcoasphalt.com	022736563

7.6.2 Head of investor relations

Does the Company have an appointed head of investor relations : Yes

List of the head of investor relations

General information	Email	Telephone number
1. Mrs. Orn-a-nong Witchucharn	orn-a-nong_wit@tipcoasphalt.com	022736000

7.6.3 Company's auditor

Details of the company's auditor

Audit firms	Audit fee (Baht)	Other service fees	Names and general information of auditors
EY OFFICE LIMITED 33RD FLOOR, LAKE RAJADA OFFICE COMPLEX, 193/136-137 RAJADAPISEK ROAD KHLONG TOEI KHLONG TOEI Bangkok 10110 Telephone +66 2264 9090	3,200,000.00	Types of non-audit service: Service fee for compliance with law and regulation Details of non-audit service: Service fee for compliance with law and regulation Amount paid during the fiscal year: N/A baht Amount to be paid in the future: N/A baht Total non-audit fee: 2,596,184.00 baht	1. Ms. KRONGKAEW LIMKITTIKUL Email: krongkaew.limkittikul@th.ey.com License number: 5874 2. Mr. NATTHAWUT SANTIPET Email: natthawut.santipet@th.ey.com License number: 5730 3. Mr. CHATCHAI KASEMSRITHANAWAT Email: chatchai.kasemsrithanawat@th.ey.com License number: 5813

Details of the auditors of the subsidiaries

Audit fee (Baht)	Other service fees
10,773,678.19	Types of non-audit service: - Details of non-audit service: Service fee for compliance with law and regulation Amount paid during the fiscal year: N/A baht Amount to be paid in the future: N/A baht Total non-audit fee: 2,094,603.32 baht

7.6.4 Assigned personnel in case of a foreign company

Does the company have any individual assigned to be : No
representatives in Thailand

8. Report on key operating results on corporate governance

8.1 Summary of duty performance of the board of directors over the past year

8.1.1 Selection, development and evaluation of duty performance of the board of directors

Information about the selection of the board of directors

List of directors whose terms have ended and have been reappointed

List of directors	Position	First appointment date of director	Skills and expertise
Mr. Somchit Sertthin	Director (Non-executive directors)	29 Apr 1994	Construction Materials, Banking, Petrochemicals & Chemicals, Finance, Business Administration
Mr. Niphon Suthimai	Director (Non-executive directors, Independent director)	16 Feb 2006	Law, Construction Materials, Internal Control, Strategic Management, Transportation & Logistics
Mr. Nopporn Thepsithar	Director (Non-executive directors, Independent director)	27 Apr 2012	Transportation & Logistics, Construction Materials, Engineering, Internal Control, Risk Management

List of newly appointed director to replace the ex-director

List of directors	Position	First appointment date of director	Skills and expertise
ACM Pongsatorn Buasup	Director (Non-executive directors)	17 Jan 2024	Public Administration, Leadership

Selection of independent directors

Criteria for selecting independent directors

Independent directors shall possess the qualifications as specified in the Securities and Exchange Commission's guidelines. The Company's definitions of an Independent Director are as follows:

1. Holding no more than 1% of total voting shares* including the shareholding of persons related to the independent directors
2. Is not currently and has never been the Company's executive director, worker, employee, salaried consultant, or controlling parties*. Exception: It has been at least two years since the person held their previous position;
3. Not related by blood or legally registered with any other directors, executives, major shareholders, controlling parties, or persons who will be nominated as directors, executives, or controlling parties of the company or subsidiary;
4. Not currently having and never having had any relations with the company* that may impede, compromise or interfere with the person having independent views. Also, the person should not currently be and never have been a significant shareholder or controlling person for persons having business relations with the company*. Exception: It has been at least two years since the person has held the position;
5. Is not currently and has never been the Company's auditor*. Also, the person should not currently be or never have been a significant shareholder controlling person, or partner of the current auditor's auditing firm*. Exception: It has been at least two years since the person held the position;

6. Not currently providing or never having provided professional services, legal consulting and financial consulting services to the company with a fee of more than THB 2 million per year*. Also, the person should not currently be or never have been a significant shareholder, controlling person, or partner of any of our current service providers. Exception: It has been at least two years since the person held the position;
7. Not currently a director appointed to represent the Company's directors, major shareholders, or the shareholder related to a major shareholder;
8. Not currently operating under similar business models and/or significant competitors to the Company or any of its subsidiaries; or not be a significant partner of the partnership, executive or director, salaried worker, employees, or consultants; or holding more than 1% of voting shares of any other companies operating under a similar business nature that are significant competitors to the Company and its subsidiaries;
9. Not under any conditions that may impede the person from having independent views towards the Company's operations.

Business or professional relationships of independent directors over the past year

Business or professional relationships of independent directors over the past year : No

Selection of directors and the highest-ranking executive

In accordance with the Group's policy on Director qualifications and nomination, the N&R committee is in charge of nominating appropriate persons as members of the Board of Directors to the Board of Directors and Shareholders meeting as necessary. As part of director nomination, the N&R committee may consider the director pool from the IOD for potential candidates, if any.

In 2024, there was a new director appointment. In the process, the Board of Directors followed recommendations from the N&R committee which, reviewed and confirmed that the Board of Directors with the new director collectively had between them the required skills to comply with policies on director qualifications and nomination.

Method for selecting directors and the highest-ranking executive

Method for selecting persons to be appointed as directors through the nomination committee : Yes

Method for selecting persons to be appointed as the highest-ranking executive through the nomination committee : Yes

Number of directors from major shareholders

Number of directors from each group of major shareholders over the past year (persons) : 3

Rights of minority shareholders on director appointment

In our commitment to enhancing the minority right of shareholders, prior to the 2025 Annual General Meeting (AGM), shareholders of the Company were entitled to propose agenda items. Shareholders were allowed to exercise such rights from the period 1 October 2024 to 27 December 2024 for consideration by the Board of Directors. Should any proposed agenda be included in the meeting, the Company will specify in the notice of the meeting that said agenda was proposed by a shareholder.

However, in the case where the proposed agenda was rejected, the Company will inform shareholders of the reasons for its rejection at the annual general meeting of shareholders. Moreover, any shareholder is entitled to nominate any qualified candidate for election as a Board member in advance. The N&R Committee will consider the proposed nominee(s) together with other nominated persons according to the Company's criteria for the nomination of directors. The N&R Committee shall then present the nominee(s) to the Board for consideration before proposing them to the shareholders' meeting for approval. Voting requirement of appointment of Directors Pursuant to Clause 15 of the Company's Articles of Association, the rules and procedures for electing directors are as follows:

1. Separate round of voting by the shareholders shall take place for each Director position;
2. Each shareholder has a voting right of one vote per share for each available Director position;

3. Each Director position shall be allocated to the person who has received the most affirmative votes, provided that the number of affirmative votes received represents at least three quarters of the total number of votes by shareholders attending the meeting by proxy or physical presence and having the right to vote;
4. Director(s) who are also shareholder(s) are not eligible to vote for their own re-election.

Method of director appointment : Others :Each Director must receive the most affirmative votes, provided that the number of affirmative votes received represents at least three quarters of the total number of votes by shareholders.

Information on the development of directors

Development of directors over the past year

Details of the development of directors over the past year

List of directors	Participation in training in the past financial year	History of training participation
1. Mr. Chainoi Puankosoom Chairman of the board of directors	Non-participating	-
2. Mr. Koh Ban Heng Vice-chairman of the board of directors	Non-participating	-
3. Mr. Somchit Sertthin Director	Non-participating	-
4. Mr. Chaiwat Srivalwat Director	Participating	Other <ul style="list-style-type: none"> • 2024: CEO Club 3/2024 : Human Strategy in the Age of AI • 2024: CEO Club 4/2024 : Innovation in Organization
5. Mr. Niphon Suthimai Director	Non-participating	-
6. Mr. Nopporn Thepsithar Director	Participating	Other <ul style="list-style-type: none"> • 2024: Insight in SET : AC Focus
7. Mr. Phirasilp Subhapholsiri Director	Non-participating	-
8. Mr. Jacques Marcel Pastor Director	Non-participating	-
9. Mr. Jean Marie Verbrughe Director	Non-participating	-
10. Mr. Frederic Jacques Maurice Roussel Director	Non-participating	-
11. Mr. Pierre Vanstoflegatte Director	Non-participating	-
12. ACM Pongsatorn Buasup Director	Participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> • 2024: The Board's Roles in Climate Governance (BCG)

Information on the evaluation of duty performance of directors

Criteria for evaluating the duty performance of the board of directors

The Company applies the Board Self-Assessment form designed by the Stock Exchange of Thailand (“SET”). The assessment consists of (i) A collective Self-assessment and (ii) Individual Self-assessments.

The main objective of the self-assessment form is to evaluate the performance of the Board as a team, and of the Directors as a collective body and on an individual basis, in light of recognized best practices and principles of good corporate governance.

The procedures are as follows:

1. The Board of Directors performs self-assessment evaluations under guidelines provided by the SET;
2. The Company Secretary summarizes the self-assessment results of all members of the Board of Directors; and
3. The Company Secretary reports the self-assessment results to the Board of Directors and ensures the results are used to improve the performance of the Board.

The 6 categories covered by the collective and individual Self-Assessment Forms are as follows:

1. Structure and qualifications of the board (Collective and individual)
2. Roles, duties and responsibilities of the board (Collective and individual)
3. The board meetings (Collective and individual)
4. Duties of Directors (Collective)
5. Relationship with Management (Collective)
6. Director's self-improvement and management training (Collective)

Evaluation of the duty performance of the board of directors over the past year

The Company scored 3.83 out of 4 and 3.84 out of 4 on the collective and individual forms for the Board Self- Assessment evaluations respectively.

8.1.2 Meeting attendance and remuneration payment to each board member

Meeting attendance of the board of directors

Meeting attendance of the board of directors

Number of the board of directors meeting over the past : 5
year (times)
Date of AGM meeting : 04 Apr 2024
EGM meeting : No

Details of the board of directors' meeting attendance

List of directors	Meeting attendance of the board of directors			AGM meeting attendance			EGM meeting attendance		
	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)
1. Mr. Chainoi Puankosoom (Chairman of the board of directors, Independent director)	5	/	5	1	/	1	N/A	/	N/A
2. Mr. Koh Ban Heng (Vice-chairman of the board of directors, Independent director)	5	/	5	1	/	1	N/A	/	N/A
3. Mr. Somchit Sertthin (Director)	5	/	5	1	/	1	N/A	/	N/A

List of directors	Meeting attendance of the board of directors			AGM meeting attendance			EGM meeting attendance		
	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)
4. Mr. Chaiwat Srivalwat (Director)	5	/	5	1	/	1	N/A	/	N/A
5. Mr. Niphon Suthimai (Director, Independent director)	5	/	5	1	/	1	N/A	/	N/A
6. Mr. Nopporn Thepsithar (Director, Independent director)	5	/	5	1	/	1	N/A	/	N/A
7. Mr. Phirasilp Subhapholsiri (Director, Independent director)	5	/	5	1	/	1	N/A	/	N/A
8. Mr. Jacques Marcel Pastor (Director)	4	/	5	1	/	1	N/A	/	N/A
9. Mr. Jean Marie Verbrugge (Director, Independent director)	5	/	5	1	/	1	N/A	/	N/A
10. Mr. Frederic Jacques Maurice Roussel (Director)	5	/	5	1	/	1	N/A	/	N/A
11. Mr. Pierre Vanstoflegatte (Director)	3	/	5	0	/	1	N/A	/	N/A
12. ACM Pongsatorn Buasup (Director)	4	/	4	1	/	1	N/A	/	N/A

Detailed justification for the Company director's non-attendance at the Board of Directors' meeting

The directors were engaged in a business trip overseas and outside Bangkok.

Remuneration of the board of directors

Types of remuneration of the board of directors

The N&R committee is in charge of proposing the remuneration of the Board of Directors and sub-committees to the Board of Directors and shareholders. As part of this proposal, suggested remuneration is linked with the roles and responsibilities of the Board of Directors, their current strategies, and long-term goals. The remunerations are competitive and are benchmarked against

the average remuneration of companies in relevant industries. The remuneration consists of fixed remuneration and variable remuneration.

At the 2024 AGM, the meeting resolved to

- approve the lump sum 2024 remuneration of the Company in the number of Baht 16,880,000 million for all Directors and members of the sub-committees.
- authorize the Board of Directors to determine variable remuneration which shall be subject to the Company's performance.

Remuneration of the board of directors

Details of the remuneration of each director over the past year

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
1. Mr. Chainoi Puankosoom (Chairman of the board of directors)			1,800,000.00		N/A
Board of Directors	600,000.00	1,200,000.00	1,800,000.00	No	
2. Mr. Koh Ban Heng (Vice-chairman of the board of directors)			1,260,000.00		N/A
Board of Directors	400,000.00	800,000.00	1,200,000.00	No	
Nomination and Remuneration Committee	60,000.00	0.00	60,000.00	No	
3. Mr. Somchit Serthhin (Director)			1,260,000.00		N/A
Board of Directors	400,000.00	800,000.00	1,200,000.00	No	
Nomination and Remuneration Committee	60,000.00	0.00	60,000.00	No	
4. Mr. Chaiwat Srivalwat (Director)			1,280,000.00		N/A
Board of Directors	400,000.00	800,000.00	1,200,000.00	No	
Executive Committee	N/A	N/A	N/A	No	
Risk Management Committee	N/A	N/A	N/A	No	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
Sustainable Development and Corporate Governance Committee	80,000.00	N/A	80,000.00	No	
5. Mr. Niphon Suthimai (Director)			1,680,000.00		N/A
Board of Directors	400,000.00	800,000.00	1,200,000.00	No	
Audit Committee	400,000.00	0.00	400,000.00	No	
Sustainable Development and Corporate Governance Committee	80,000.00	0.00	80,000.00	No	
6. Mr. Nopporn Thepsithar (Director)			1,660,000.00		N/A
Board of Directors	400,000.00	800,000.00	1,200,000.00	No	
Audit Committee	400,000.00	0.00	400,000.00	No	
Nomination and Remuneration Committee	60,000.00	0.00	60,000.00	No	
7. Mr. Phirasilp Subhapholsiri (Director)			1,800,000.00		N/A
Board of Directors	400,000.00	800,000.00	1,200,000.00	No	
Audit Committee	500,000.00	0.00	500,000.00	No	
Sustainable Development and Corporate Governance Committee	100,000.00	0.00	100,000.00	No	
8. Mr. Jacques Marcel Pastor (Director)			1,200,000.00		N/A
Board of Directors	400,000.00	800,000.00	1,200,000.00	No	
9. Mr. Jean Marie Verbrugge (Director)			1,200,000.00		N/A

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
Board of Directors	400,000.00	800,000.00	1,200,000.00	No	
10. Mr. Frederic Jacques Maurice Roussel (Director)			1,340,000.00		N/A
Board of Directors	400,000.00	800,000.00	1,200,000.00	No	
Executive Committee	N/A	N/A	N/A	-	
Risk Management Committee	N/A	N/A	N/A	-	
Sustainable Development and Corporate Governance Committee	80,000.00	0.00	80,000.00	No	
Nomination and Remuneration Committee	60,000.00	0.00	60,000.00	No	
11. Mr. Pierre Vanstoflegatte (Director)			1,200,000.00		N/A
Board of Directors	400,000.00	800,000.00	1,200,000.00	No	
12. ACM Pongsatorn Buasup (Director)			1,145,901.00		N/A
Board of Directors	381,967.00	763,934.00	1,145,901.00	No	
13. Mr. Soranard Nantamontry (Member of the executive committee)			N/A		N/A
Executive Committee	N/A	N/A	N/A	No	
Risk Management Committee	N/A	N/A	N/A	No	
14. Mr. Christophe Bernard Voy (Member of the executive committee)			N/A		N/A
Executive Committee	N/A	N/A	N/A	No	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
Risk Management Committee	N/A	N/A	N/A	No	
15. Mr. Thierry Alain Simon Defrene (Member of the executive committee)			N/A		N/A
Executive Committee	N/A	N/A	N/A	No	
Risk Management Committee	N/A	N/A	N/A	No	
16. Mr. Jacques Marechal (Member of the executive committee)			N/A		N/A
Executive Committee	N/A	N/A	N/A	No	
Risk Management Committee	N/A	N/A	N/A	No	
17. Mrs. Orn-a-nong Witchucharn (Member of the executive committee)			N/A		N/A
Executive Committee	N/A	N/A	N/A	No	
Risk Management Committee	N/A	N/A	N/A	No	
18. Mrs. Udornporn Punpatch (Member of the subcommittee)			N/A		N/A
Risk Management Committee	N/A	N/A	N/A	No	
19. Mr. Sanjay Grover (Member of the subcommittee)			N/A		N/A
Risk Management Committee	N/A	N/A	N/A	No	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
20. Mr. Puwanat Wantanachaisaeng (Member of the subcommittee)			N/A		N/A
Risk Management Committee	N/A	N/A	N/A	No	
21. Mrs. Sarinee Chumchuensuk (Member of the subcommittee)			N/A		N/A
Risk Management Committee	N/A	N/A	N/A	No	
22. Mrs. Orn-a-nong Witchucharn (Member of the subcommittee)			N/A		N/A
Risk Management Committee	N/A	N/A	N/A	No	
23. Ms. Promporn Kanjanarat (Member of the subcommittee)			N/A		N/A
Risk Management Committee	N/A	N/A	N/A	No	
24. Mr. Martin Brzuska (Member of the subcommittee)			N/A		N/A
Risk Management Committee	N/A	N/A	N/A	No	
25. Ms. Chitmanee Chiranantaratana (Member of the subcommittee)			N/A		N/A
Risk Management Committee	N/A	N/A	N/A	No	
26. Mr. Kris Sertthin (Member of the subcommittee)			N/A		N/A

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
Risk Management Committee	N/A	N/A	N/A	No	
27. Mr. Suphat Pipitawan (Member of the subcommittee)			N/A		N/A
Risk Management Committee	N/A	N/A	N/A	No	
28. Mr. Surapon Katekaew (Member of the subcommittee)			N/A		N/A
Risk Management Committee	N/A	N/A	N/A	No	
29. Mr. Yutapol Siewthaisong (Member of the subcommittee)			N/A		N/A
Risk Management Committee	N/A	N/A	N/A	No	

Summary of the remuneration of each committee over the past year

Names of board members	Meeting allowance	Other monetary remuneration	Total (Baht)
1. Board of Directors	4,981,967.00	9,963,934.00	14,945,901.00
2. Audit Committee	1,300,000.00	0.00	1,300,000.00
3. Executive Committee	N/A	N/A	N/A
4. Sustainable Development and Corporate Governance Committee	340,000.00	0.00	340,000.00
5. Nomination and Remuneration Committee	240,000.00	0.00	240,000.00
6. Risk Management Committee	N/A	N/A	N/A

Remunerations or benefits pending payment to the board of directors

Remunerations or benefits pending payment to the : 11,683,934.00
board of directors over the past year

(Baht)⁽¹²⁾

Remark : ⁽¹²⁾ The pending remuneration to the Board of Directors in 2024 is THB 11,683,934, consisting of a final fixed remuneration of THB 1,720,000 and a variable remuneration of THB 9,963,934, which is due to be paid in February 2025.

8.1.3 Supervision of subsidiaries and associated companies

Mechanism for overseeing subsidiaries and associated companies

Does the Company have subsidiaries and associated companies	:	Yes
Mechanism for overseeing subsidiaries and associated companies	:	Yes
Mechanism for overseeing management and taking responsibility for operations in subsidiaries and associated companies approved by the board of directors	:	The appointment of representatives as directors, executives, or controlling persons in proportion to shareholding, The determination of the scope of duties and responsibilities of directors and executives as company representatives in establishing important policies, Disclosure of financial condition and operating results, Transactions between the company and related parties, Other significant transactions, Acquisition or disposal of assets, Internal control system of the subsidiary operating the core business is appropriate and sufficient in the subsidiary operating the core business

The appointment of directors and executives of a subsidiary and associated company to oversee and manage its operation is a key governance mechanism that ensures the subsidiary and associated company complies with the policy, goals, vision, medium-term business plans, and strategic growth plans efficiently. As such, the Board of Directors of Tipco Asphalt Public Company Limited (the Company) formulated their own policy for the appointment of directors and executives to subsidiaries and associated companies.

The Board of Directors of the Company has assigned the Executive Committee to appoint and transfer company representatives to the Board or executive positions in subsidiaries/associated companies in accordance with shareholding proportion. The nominated person shall have the necessary qualifications, knowledge, ethics, sense of responsibility, and leadership qualities deemed appropriate.

In addition, subsidiaries will be provided with internal control systems, risk management systems and measures to monitor performance within an appropriate time.

Roles and responsibilities of directors in subsidiaries and associated companies

1. Ensuring that the subsidiary and associated company comply with relevant laws, regulations, Articles of Association and policy;
2. Acting in the best interests of the subsidiary and associated company and ensuring that the direction of the subsidiary/associated company's strategies, policies, and business plans is consistent with that of the Company;
3. Reporting the operating results and performance of the subsidiary and associate company to the Company on a regular basis;
4. Supervising the subsidiary and associated company to ensure compliance with the requirements of the Stock Exchange of Thailand, where such requirements are applicable to the subsidiary and associate company, e.g. entering into related party transactions, acquisition or disposal of significant assets;
5. Ensuring that the subsidiary and associated company have appropriate and adequate internal control systems; and
6. Performing any other duties in accordance with the Board of directors of the subsidiary/associate company and/or the shareholders' meeting of the subsidiary and associated company;

8.1.4 The monitoring of compliance with corporate governance policy and guidelines

Prevention of conflicts of interest

Operations for conflict of interest prevention over the past year

Has the company operated in preventing conflicts of interest over the past year : Yes

Report of conflict of interest of Directors and Executives

Directors and executives are required to file reports on their own or any related person's interests regarding the management of the Company or any of its subsidiaries in accordance with the stipulated rules and regulations. Since these may cause conflicts of interest and can lead to the siphoning of assets, it is imperative for these to be disclosed in full. These reports ensure that all directors and executives adhere to the fiduciary duties they are bound to. The Company Secretary acknowledges, signs, and submits these reports to the Chairman of the Board and the Chairman of the Audit Committee within 7 days of their submission in compliance with Section 89/16 of the Securities and Exchange Act, B.E. 2535 (As amended).

In 2024, all members of the Board of Directors updated "Report on the interests of Directors and Executives". In addition, a new member of the Board of directors and executive filed "Report on the interests of Directors and Executives". Such reports were submitted to Chairman of the Board of Directors and Audit Committee in accordance with relevant regulation.

Report of conflict of interest of Employee

The Group continuously strives for good corporate governance practices to maintain its sustainable development. To ensure professionalism and integrity in conducting our business, the Group has reviewed its Code of Ethics to minimize potential conflicts of interest between employees and the Company. Potential conflicts of interest covered by the Code of Ethics include those involving family members of employees - parents, full-blooded brother/sister, legal spouses, children and adopted children.

While all employees are required to acknowledge their review of the Company's Code of Ethics, there is an additional requirement for the Board of Directors, all Management, and all employees in sales, procurement and purchase, to sign and submit the "Conflict of Interest: Acknowledgement and Disclosure" form. They have a responsibility to promptly notify the Group Management in writing, with an acknowledgement by the Chief People Officer, if they at any time become aware of any actual or potential conflicts of interest, or if the information provided becomes inaccurate or incomplete.

Therefore, all actual and potential conflicts of interest must be disclosed whenever management and employees are discussing and making decisions related to any business matter.

In 2024, 100% of defined staffs signed the Conflict of Interest declaration form.

Number of cases or issues related to conflict of interest

	2022	2023	2024
Total number of cases or issues related to conflict of interest (cases)	0	0	0

Prevention of the use of inside information to seek benefits

Operations for prevention of the use of inside information to seek benefits over the past year

Has the company operated in preventing the use of inside information to seek benefits over the past year : Yes

The Company has an established policy and Code of Ethics governing the use of internal information, which have been incorporated into employee regulations with penalties for executives or employees who disclose internal information to outsiders for personal gain with the following details:

Directors and executives, as well as their spouses, cohabitating partners, and minor children under legal age, including legal entities where they have more than 30% shareholding of the number of all voting rights of the juristic person, according to Article 258 of the Securities and Exchange Act of 1992, must notify and distribute information about shares held, as well as reporting any changes to SEC every time they buy, sell, transfer, or receive shares within three days of the change to comply

with Article 59. Failure to do so will lead to punishment, as decreed by Clause 275 of the Securities and Exchange Act of 1992.

In addition, the summary of the shareholding of all directors and top executives is reported quarterly to the Board of Directors meeting.

Finally, under the Company’s Code of Ethics, the Board of Directors, executives, and employees working in related departments, are prohibited from trading the Company’s shares for 21 days prior to the release of the Company’s quarterly and annual financial statements (blackout period) until the first calendar day after the announcement date.

In 2024, directors and top executives filed transactions as per public disclosure on <https://market.sec.or.th/public/idisc/en/r59>

In addition, summary of shareholding of director and top executives are reported to the Board of Directors on a quarterly basis. Finally, there were no transactions during the blackout period and insider trading case.

Number of cases or issues related to the use of inside information to seek benefits

	2022	2023	2024
Total number of cases or issues related to the use of inside information to seek benefits (cases)	1	0	0

Details of cases or issues related to the use of inside information to seek benefits

Year of event	Details	Progress status
Jul 2022	<p>Case or issue</p> <p>Using insider information for personal gain</p> <p>Investigation results</p> <p>Committed an offense</p> <p>Corrective actions</p> <p>Prohibited from being a director or executive from July 8, 2022, to March 8, 2027.</p>	Incident no longer subject to action

Anti-corruption action

Operations in anti-corruption in the past year

Has the company operated in anti-corruption over the : Yes
past year

Form of operations in anti-corruption : Review of appropriateness in anti-corruption, The participation in anti-corruption projects, Assessment and identification of corruption risk, Communication and training for employees on anti-corruption policy and guidelines, The monitoring of the evaluation of compliance with the anti-corruption policy, Review of the completeness and adequacy of the process by the Audit Committee or auditor

The Board of Directors of the Company adopted an anti-corruption policy with the aim of preventing corruption across all value-chain activities while maintaining vigilant operations. The Risk Management Committee established anti-corruption guidelines

alongside a regular monitoring system, the results of which are reported to the Board of Directors. The Company will continuously promote and encourage all employees and stakeholders to raise awareness for the eradication of corruption. Anti-corruption will be part of the orientation program to new employees and all employees shall acknowledge the Code of Ethics annually, which includes anti-corruption prevention.

In 2024, the acknowledgment rate of the Code of Ethics by employees was 100%. There were no cases violating the Group's Anti-Corruption policy and guidelines in 2024.

Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)

The Company encourages its directors to attend the Anti-Corruption for Executives (ACEP) training course, while employees are encouraged to regularly participate in events related to anti-corruption efforts and initiatives.

In 2014, the Company signed the Declaration of Intent in View of Establishing Thailand's Private Sector Collective Action Coalition Against Corruption (CAC). The Company developed its policy, risk assessment framework, procedures, monitoring system, and reporting in accordance with the Self-evaluation Tools of the CAC.

The Company has been recognized as a certified company by the CAC. It was first certified on 10 November 2017 and has since passed all subsequent recertifications on 30 June 2020 and 30 June 2023. This recent certification will be valid until 30 June 2026.

Following the implementation of the self-evaluation tools 4.0 by the Institutes of Directors with effect from July 2021, the Company is undertaking the necessary actions, e.g. risk assessment, policy and guideline reviews, communication, ahead of the next recertification. Risk Assessment is conducted in accordance with the guidelines of the "Self-Evaluation Tool for Anti-Corruption System Development" Version 4.0, which covers risk for subsidiaries. The assessment template includes business activity, risk type, risk description, likelihood, impact, risk score, key control. In addition, the Company's employees also attended the "Anti-Corruption the Practical Guide (ACPG)" course that helps organizations create a standard anti-corruption system.

In addition to policy implementation and frequent monitoring and reporting, the Company regularly participates in the following anti-corruption events:

- 19 August 2015: the Company's representatives participated in the Anti-corruption Program seminar organized by the Office of National Anti-Corruption Commission in collaboration with the Royal Thai Government.
- 2016: National Anti-Corruption Day activities with the theme of "Sin of Cheating" at the Sanam Luang Royal Plaza, Bangkok, organized by the Anti-Corruption Organization of Thailand (ACT) in collaboration with the Thai Chamber of Commerce and the Board of Trade of Thailand.
- 6 September 2017: Anti-Corruption Day with the theme "New Government! Old corruption!" at Centara Grand & Bangkok Convention Centre at CentralWorld, organized by the Thai Institute of Directors ("Thai IOD").
- 9 December 2017: the Company's representative participated in the International Anti-Corruption Day (Thailand) at Muang Thong Thani, Nonthaburi.
- 6 September 2018: Anti-Corruption Day at Bhiraj Tower at Bangkok International Trade & Exhibition Centre (BITEC).
- 7 December 2018: International Anti-Corruption Day (Thailand) at Muang Thong Thani, Nonthaburi.
- 6 September 2019: Anti-Corruption Day at Bhiraj Tower at Bangkok International Trade & Exhibition Centre (BITEC).
- 7 October 2019: the Company issued the No Gift Guideline through the Anti-Corruption Guideline Manual in order to provide comprehensive guidance on effective implementation of the Group's Anti-Corruption Policy and controls.
- 9 December 2019: International Anti-Corruption Day (Thailand) at Muang Thong Thani, Nonthaburi.
- 15 September 2020: Anti-Corruption Day with the theme "Power of Data" through video conference.
- 6 September 2021: Anti-Corruption Day through Facebook live.
- 9 December 2021: International Anti-Corruption Day (Thailand) "Zero Tolerance" through Facebook live.
- 6 September 2022: Anti-Corruption Day at Bang Sue Grand Station.
- 9 December 2022: International Anti-Corruption Day (Thailand) "Zero Tolerance" through Facebook live.
- 6 September 2023: Anti-Corruption Day with the theme "What the Fact" through Facebook live.
- 9 December 2023: International Anti-Corruption Day (Thailand) "BREAK the corruption" at Muang Thong Thani.
- 6 September 2024: Anti-Corruption Day through Facebook live.

- 9 December 2024: International Anti-Corruption Day (Thailand) “Fight Against Corruption” through Facebook live.

Number of cases or issues related to corruption

	2022	2023	2024
Total number of cases or issues related to corruption (cases)	0	0	0

Whistleblowing

Operations related to whistleblowing over the past year

Has the company implemented whistleblowing : Yes
procedures over the past year

The Group expects all personnel, stakeholders, and external sources to monitor their compliance with corporate governance and the Code of Ethics and encourages them to raise any questions and concerns they may have regarding these policies. In addition, they can report any misconduct or noncompliance, and send their enquiries to the Company Secretary, the Internal Audit, or the Human Resources Department.

Procedures pertaining to the reporting of violations of or non-compliance with the Code of Ethics are known by all employees and must be observed. In the event employees notice (or suspect) a violation of, or non-compliance with, the Code of Ethics, they may direct their questions or complaints by phone, e-mail or letter to any of the following persons:

1. Any independent director
2. Chief People Officer
3. Head of Internal Audit
4. Company Secretary to the Board of Directors

The above persons shall report such matters to the Chief Executive Officer - if the issue is raised against employees below the Chief Executive Officer level; or to the Board of Directors - if the issue is raised against the Chief Executive Officer and/or any director within 24 hours. The Group shall investigate all complaints with due urgency and confidentiality.

The Chief Executive Officer or Board of Directors shall appoint a fact-finding committee, comprising relevant heads of departments and Human Capital Management. The fact-finding committee is authorized to:

- Investigate facts and witnesses
- Proceed according to relevant measures
- Propose prevention to repeating cases
- Proceed with disciplinary actions and/or prosecution according to the law

All employees are expected to cooperate in the investigations as necessary, which are conducted legally, when there is a complaint of violation or non-compliance with the Code of Ethics.

At the soonest, but no later than 14 days from its instigation, the fact-finding committee shall report the result of the investigation to the Chief Executive Officer or Board of Directors. The Human Capital Management Department shall collect the investigation reports, then notify the whistle-blower and the Board of Directors, as well as the responsible persons against whom the complaint was filed.

Measures for Protection and Compensation

Any person making complaints, reports, or cooperating with a fact-finding investigation shall be protected according to the whistle-blower protection guidelines as follows:

- Those who complain, report, or cooperate may choose not to disclose their identities. However, their identities should be disclosed to the investigators appointed by the Group to facilitate the effectiveness of any such investigations.

- The Company regards such information as confidential and discloses such information only as necessary to ensure the safety of, and prevent harm to, those who report their sources, and other individuals involved.
- Appropriate protection will be provided to those who complain, report, or cooperate if they believe they will be under threat.
- Anyone harmed while providing information to assist the Group's investigations will be compensated in a fair and appropriate manner.

Number of cases or issues related to whistleblowing

	2022	2023	2024
Total number of cases or issues received through whistleblowing channels (cases) ⁽¹³⁾	0	3	5

Remark : ⁽¹³⁾ There is 1 reported case currently under investigation. Therefore, the date of the incident cannot yet be specified, and it cannot be concluded whether it constitutes a violation of the Code of Ethics.

Details of cases or issues received through whistleblowing channels

Year of event	Details	Progress status
Jun 2024	<p>Case or issue Conflict of Interest</p> <p>Topics or issues about Prevention of misuse of inside information, Others :Employee work responsibilities</p> <p>Investigation results Violation to the Employee Rules and Regulations</p> <p>Corrective actions Disciplinary action: Warning and record</p>	Incident no longer subject to action
Jun 2024	<p>Case or issue Employee/ Labor Rights</p> <p>Topics or issues about Human rights, Others :Overtime payment and rate calculation</p> <p>Investigation results Calculation and payment of overtime work comply to labour law and tax regulations</p> <p>Corrective actions Communicating with employees of the overtime rate calculation and payment, and completing the payment</p>	Incident no longer subject to action
Oct 2024	<p>Case or issue Irregularity to regulations</p> <p>Topics or issues about Compliance with laws, regulations, and rules</p>	Incident no longer subject to action

Year of event	Details	Progress status
	<p>Investigation results a support document had been expired</p> <p>Corrective actions The employee extends the validity of support document</p>	
Nov 2024	<p>Case or issue Fraud</p> <p>Topics or issues about Anti-corruption</p> <p>Investigation results Committed an offense</p> <p>Corrective actions Termination of employment for the staff</p>	Incident no longer subject to action

8.2 Report on the results of duty performance of the audit committee in the past year

8.2.1 Meeting attendance of audit committee

Meeting attendance of audit committee (times) : 12

List of directors	Meeting attendance of audit committee		
	Meeting attendance (times)	/	Meeting attendance rights (times)
1 Mr. Phirasilp Subhapholsiri (Chairman of the audit committee)	12	/	12
2 Mr. Nopporn Thepsithar (Member of the audit committee)	12	/	12
3 Mr. Niphon Suthimai (Member of the audit committee)	12	/	12

8.2.2 The results of duty performance of the audit committee

In 2024, the AC performed its duties as required by the Company's AC Charter and as assigned by the Board of Directors (if any), in conformance with the regulations of the Stock Exchange of Thailand (SET). In particular, the AC was informed about the circulation letter No. 23/2566, dated 12th September 2023, by the Securities and Exchange Commission (SEC) to all listed companies regarding the role of the AC emphasizing the five key topics as follows:

1. Oversight of the internal control system.
2. Information disclosure and financial statements.
3. Compliance to Section 89/25 under the Securities and Exchange Act B.E. 2535.
4. Justification and monitoring on Material Transactions and Related Party Transactions.
5. Monitoring capital raised and usage thereon against objectives.

The AC, through the Company's Internal Audit Department (IAD) has continued to emphasize the importance of anti-corruption controls throughout the Group. Management, the external auditor and the IAD team attend these AC meetings as necessary. Additionally, the AC meets the external auditor at least once a year without the presence of management.

Review of Financial Reports

The AC reviews the quarterly and annual financial statements (of the Company and the Group) together with management and the external auditors. Among other activities, the AC holds discussions with the external auditor to ascertain the completeness and accuracy of the presentation of the Company's financial statements, key accounting adjustments, adequacy of accounting methods, scope of the audit, accuracy and adequacy of disclosures, as well as the external auditor's independence. Accordingly, the AC was satisfied that the Company's financial statements had complied with all relevant accounting standards and regulations.

The AC was satisfied that the accounting procedures and financial statements were both accurate and reliable, and that adequate and timely information had been disclosed in the financial statements for the benefit of investors and other users of the financial statements.

Risk Management

The current Enterprise Risk Management (ERM) process as employed in the Company was implemented in 2013 and continues to evolve to serve the interests of the Company. The ERM practice mainly focuses on identifying and assessing uncertainties associated with strategic, operational, and business objectives. It also follows the guidance of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) - ERM framework.

The AC oversees the ERM process of the Company. The AC has a specific agenda every quarter to review the progress of ERM matters in the Company. The AC also discusses specific key risks with the Company's management on a regular basis, and questions what mitigation plans the Company has in place to manage such risks. In 2024, the AC oversaw several developments in ERM for the Company, include developing the ERM framework for the Company's operations in Laos, refresher ERM training for the Company's Thailand Plants, and the identification of climate-related risks and development of mitigation plans thereon.

The ERM process includes a formal ERM framework which consists of an ERM policy and related procedures. The corporate risks identified and assessed during this process are of critical importance for the pro-active management of risks in the Company.

Review of Related Party Transactions

The AC reviews standard related party transactions of the Company on a quarterly basis, or more frequently in the event of any new class of related party transactions as reported by management. The AC confirms that such transactions are conducted fairly and performed in the best interests of the Company and its shareholders.

Review of Internal Control Effectiveness

The AC has reviewed the adequacy, appropriateness and effectiveness of the internal control system from the 2024 reports of the IAD on the Company and its subsidiaries. The AC is satisfied that the internal control system of the Company and its subsidiaries is adequate and effective for its business. The AC also evaluated the adequacy of the internal control system in accordance with The Securities Exchange Commission guidelines and noted that an adequate, appropriate, and effective system of internal control has been implemented.

Review of Good Corporate Governance

The AC was satisfied that the Company has complied with the relevant laws, regulations (including regulations of the SET) and agreements with external parties (as necessary). The AC was also satisfied that significant related-party business transactions had been disclosed in the financial statements, and that the notes on such matters met the requirements set out by the SET and the Securities Exchange Commission. The AC agreed with the external auditor that such transactions conformed to the agreed criteria of normal business conduct.

Oversight of Internal Audit

The AC reviewed the reports of the IAD in 2024. This included oversight of new reviews as well as management representations of the completion of agreed actions.

During 2024, the IAD completed reviews of Human Resources and Payroll, reviews of internal controls for the Construction Group, reviews of the Company's Thailand Plant Operations, reviews of the Company's Plant Operations in Cambodia, China, Indonesia, and Vietnam, the Company's Vietnamese Head Office controls, and the Company's Marine business. As requested by the AC, the IAD also performs limited reviews of anti-corruption controls as part of every single review that it performs.

Appointment of the External Auditor for 2025

The AC has considered and recommended the appointment of EY Office Limited as the Company's external auditor for another year and had also reviewed their proposed audit fees for 2025. The AC also evaluated the overall credentials of EY Office Limited, such as the global network of, number of partners and staff, and other factors, of EY Office Limited. Consequently, the AC has proposed the same to the Board for approval by the shareholders at the Annual General Meeting of 2025.

In the event of any non-audit services (NAS) proposed by the external auditor to the Company, these are duly deliberated thoroughly before such engagements are approved. This involves a process which includes management explaining the nature of the services required, as well as explanations by the external auditor on how the performance of such services will be managed to avoid any conflict of interest. Such explanations will be duly considered by the Audit Committee who will then make their recommendations on how to proceed, including their recommendations for any additional safeguards as required.

In conclusion, the AC has comprehensively performed its duties and responsibilities in accordance with the AC Charter as approved by the Board of Directors. The AC also commented that the Company and its subsidiaries had properly presented their financial statements, performed in good business conduct, and implemented an appropriate and effective internal control system and internal auditing process. The Company and its subsidiaries have complied with the relevant laws, regulations and agreements while

properly disclosing related party transactions under good governance practices of transparency and trustworthiness. The Company and its subsidiaries have also continually improved the internal control system in terms of quality and suitability to its business environment.

8.3 Summary of the results of duty performance of subcommittees

8.3.1 - 8.3.2 Meeting attendance and the results of duty performance of subcommittees

Meeting attendance Executive Committee ⁽¹⁴⁾

Meeting Executive Committee (times) : 5

List of Directors	Meeting attendance Executive Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. Chaiwat Srivalwat (Chairman of the executive committee)	5	/	5
2 Mr. Frederic Jacques Maurice Roussel (Vice-chairman of the executive committee)	5	/	5
3 Mr. Soranard Nantamonry (Member of the executive committee)	5	/	5
4 Mr. Christophe Bernard Voy (Member of the executive committee)	4	/	5
5 Mr. Thierry Alain Simon Defrene (Member of the executive committee)	3	/	5
6 Mr. Jacques Marechal (Member of the executive committee)	4	/	5
7 Mrs. Orn-a-nong Witchucharn (Member of the executive committee)	3	/	3

The results of duty performance of Executive Committee

The Board of Directors meeting of Tipco Asphalt PLC resolved to establish an Executive Committee (“EC”) to oversee the company’s management since the year 2000. The EC plays a crucial role in supporting the Board of Directors (“the Board”) by providing focused leadership and decision-making. The key responsibilities of the EC include;

- proposing agenda items and recommendations for Board of Directors’ meetings
- formulating company policies and operating procedures
- managing the Company’s business and affairs.

All actions undertaken by the EC require the approval of the Chairman and Vice Chairman of the EC. The EC’s decisions are binding on the Company, as long as they comply with the Articles of Association or the Public Limited Companies Act B.E. 2535 of Thailand. The EC holds the authority to submit written requests to the Board for ratification, confirmation, or authorization of specific matters. Additionally, the EC’s authority is subject to the prevailing chart of authority at the time.

In 2024, the EC held total 5 meetings where it approved key changes for the Company. These included;

- amendments to the Company’s Chart of Authority
- appointing directors for subsidiaries
- preparing annual budgets, cash flow projections, and strategic plans for Board approval
- reviewed and proposed connected transactions, acquisitions and compliance with guidelines from the Securities and Exchange Commission and The Stock Exchange of Thailand.

- reviewed corporate risks reported by the Risk Management Committee before submitting them to the Board.

Overall, the executive committee helps ensure that the Board remains effective, with the committee handling more operational or urgent matters, while the Board can focus on long-term strategy and governance.

Remark : ⁽¹⁴⁾ Mrs. Orn-a-nong Witchucharn was appointed as a new member to the Executive Committee with effect from 13th May 2024.

Meeting attendance Sustainable Development and Corporate Governance Committee

Meeting Sustainable Development and : 4
Corporate Governance Committee (times)

List of Directors	Meeting attendance Sustainable Development and Corporate Governance Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. Phirasitp Subhapholsiri (The chairman of the subcommittee)	4	/	4
2 Mr. Chaiwat Srivalwat (Member of the subcommittee)	4	/	4
3 Mr. Frederic Jacques Maurice Roussel (Member of the subcommittee)	4	/	4
4 Mr. Niphon Suthimai (Member of the subcommittee)	4	/	4

The results of duty performance of Sustainable Development and Corporate Governance Committee

Sustainable Development

- Considered and approved Sustainable Development plan and key targets for 2024;
- Acknowledged Materiality Assessment and Stakeholder Engagement results for 2024;
- Reviewed Sustainable Development quarterly performances and key KPI results for 2024;
- Considered and approved the preparation of the Company’s Sustainability Report 2024;
- Oversaw climate strategy and International Financial Reporting Standards IFRS S2 report;
- Considered and proposed to the Board the new list of material topics from Double Materiality for Sustainability Report 2025; and
- Acknowledged that the Company is one of selected companies on FTSE Russell ESG assessment in pilot phase in 2024 to pave the way for sustainability assessment transition from local to global by the Stock Exchange of Thailand.

Corporate Governance

- Reviewed and proposed to the Board of Directors continuous improvements on Corporate Governance (CG) principles, policies and guidelines in accordance with the Corporate Governance Report of Thai Listed Companies 2024 (CGR) by the Thai Institute of Directors Association
- Reviewed and proposed to the Board of Directors continuous improvements on good practice of Annual General Meeting in accordance with the AGM Checklist by the Thai Investor Association; and
- Reviewed and proposed to the Board of Directors the application of each principle and sub-principle of the Corporate Governance Code for listed companies 2017 (CG Code) relevant to the Company’s business.

In 2024, the Company received several honorable recognition and awards as follows:

1. Received the AA rating on the SET ESG Ratings in the Construction Materials Industry by the Stock Exchange of Thailand
2. Received the Sustainability Disclosure Award from the Thaipat Institute for the 6 consecutive years
3. Received a 5-star CGR rating of “Excellent” by Thai Institute of Directors Association

4. Received a perfect score of 100 in the AGM Checklist assessment by Thai Investors Association; and
5. Received score of 51 (improved from 42) by Corporate Sustainability Assessment by S&P Global.

Meeting attendance Nomination and Remuneration Committee

Meeting Nomination and Remuneration Committee (times) : 2

List of Directors	Meeting attendance Nomination and Remuneration Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. Nopporn Thepsithar (The chairman of the subcommittee)	2	/	2
2 Mr. Koh Ban Heng (Member of the subcommittee)	2	/	2
3 Mr. Somchit Sertthin (Member of the subcommittee)	2	/	2
4 Mr. Frederic Jacques Maurice Roussel (Member of the subcommittee)	2	/	2

The results of duty performance of Nomination and Remuneration Committee

The Nomination and Remuneration Committee (N&R committee) consists of 4 directors, 2 of whom are independent directors, namely Mr. Nopporn Thepsithar (the Chairman) and Mr. Koh Ban Heng. The other directors are Mr. Frederic Roussel and Mr. Somchit Sertthin. In 2024, the N&R Committee performed its duties as set forth in the N&R committee Charter and held a total of 2 meetings.

The main duties performed by the N&R Committee were as follows:

1. Nomination of directors The N&R committee screened and nominated the qualified person(s) to replace directors who retired by rotation at the 2024 Annual General Meeting and to replace the director who resigned in 2023 to the Board of Directors. As part of the nomination process, the N&R committee adhered to policies regarding director's qualifications and nomination including the overall Board Skill Matrix.
2. The N&R committee followed up on the development of the succession plan for the Chief Executive Officer and top management for the continuity of the Company's operations. This matter is reported to the Board of Directors for acknowledgement on an annual basis.
3. The N&R committee proposed self-assessments to the Board of Directors and all sub-committees on an annual basis. These self-assessments include collective self-assessments and individual self-assessments. The N&R committee also proposed evaluation forms for the Chief Executive Officer, the results of which are considered as part of the CEO evaluation.
4. Proposal for remuneration The N&R committee adopted the 2024 market survey of Directors remuneration (conducted every 2 years) of listed companies issued by the Thai Institute of Directors. The survey clearly showed that the fixed remuneration of the Company's Board of Directors and its sub-committees were comparable with others in the Property and Construction and Resource industries.
 - The N&R committee proposed a total lump sum remuneration, including fixed and variable remuneration, at the maximum of THB 16,880,000. This includes fixed and variable remuneration for all members of the Board of Directors and sub-committees. The remuneration per position remains unchanged as compared with the previous year.
 - The N&R committee also proposed a remuneration package for the Executive Directors and the Chief Executive Officer by considering certain criteria including management of the business in accordance with goals, long-term strategies and assessment results.
5. The N&R committee encourages continuous development among members of the Board of Directors by suggesting relevant training

Meeting attendance Risk Management Committee

Meeting Risk Management Committee (times) : 2

List of Directors	Meeting attendance Risk Management Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. Chaiwat Srivalwat (The chairman of the subcommittee)	2	/	2
2 Mr. Frederic Jacques Maurice Roussel (Member of the subcommittee)	1	/	2
3 Mr. Thierry Alain Simon Defrene (Member of the subcommittee)	0	/	2
4 Mr. Soranard Nantamonry (Member of the subcommittee)	2	/	2
5 Mrs. Orn-a-nong Witchucharn (Member of the subcommittee)	2	/	2
6 Mrs. Udomporn Punpatch (Member of the subcommittee)	2	/	2
7 Mr. Christophe Bernard Voy (Member of the subcommittee)	2	/	2
8 Mr. Jacques Marechal (Member of the subcommittee)	1	/	2
9 Mr. Sanjay Grover (Member of the subcommittee)	2	/	2
10 Mr. Puwanat Wantanachaisaeng (Member of the subcommittee)	2	/	2
11 Mrs. Sarinee Chumchuensuk (Member of the subcommittee)	2	/	2
12 Mrs. Orn-a-nong Witchucharn (Member of the subcommittee)	2	/	2
13 Ms. Promporn Kanjanarat (Member of the subcommittee)	2	/	2
14 Mr. Martin Brzuska (Member of the subcommittee)	2	/	2
15 Ms. Chitmanee Chiranantaratana (Member of the subcommittee)	2	/	2
16 Mr. Kris Sertthin (Member of the subcommittee)	2	/	2
17 Mr. Suphat Pipitawan (Member of the subcommittee)	2	/	2
18 Mr. Surapon Katekaew (Member of the subcommittee)	2	/	2

List of Directors	Meeting attendance Risk Management Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
19 Mr. Yutapol Siewthaisong (Member of the subcommittee)	1	/	2

The results of duty performance of Risk Management Committee

Tipco Asphalt Public Company Limited and its subsidiaries (the Group) recognizes the importance of Enterprise Risk Management (ERM) with the implementation of a framework, relevant policies, and development of enterprise risk management in accordance with international standards, namely COSO ERM (2017) and ISO31000 Risk Management. This is to ensure the Group's key objectives and targets are achieved efficiently, while increasing the Group's resiliency in dealing with volatilities in rapidly changing economic landscape, market environment, and sustainability-related risks in the near future.

In 2024, the Group's Risk Management Committee (the RMC) comprised nineteen members. Of these, two members namely, Mr. Chaiwat Srivalwat the Chairman of the RMC and Mr. Frederic Jacques Maurice Roussel were also members of Board of Directors of the Company.

The RMC performed its full duties within its scope of roles and responsibilities as prescribed in RMC charter. In 2024, there are two RMC meetings and key focus are primarily implementation of ERM across the Group and ensure of its effectiveness. The RMC then reported the meeting summary to the Audit Committee, the Executive Committee and the Board of Directors for acknowledgement/ approval on regular basis.

Major details of the meetings can be summarized as follows:

- Reviewed the Group's Enterprise Risk Management policy in term of effectiveness and sufficient for Group-wide implementation;
- Established and proposed the Group's first RMC Charter to the Executive Committee. One of the key components, included in the RMC's duties and responsibilities is to integrate Materiality assessment into the Group's ERM process;
- Reviewed the Group's materiality assessment results for 2025 and proposed to Sustainable Development and Corporate Governance Committee then the Board of Directors for final approval;
- Reviewed on Enterprise Risk Management workplan progresses. In addition, Enterprise Risk Management practice implementations were extended to the subsidiary in Laos, • Tipco Asphalt Lao Co., Ltd. Finally, risk training and comprehensive review were conducted for respective business units; and
- Reviewed Top Corporate Risks and Mitigation Plans for 2025. This revision included the inclusion of top corporate risk for the volatilities of demands and prices for the market in Vietnam. Also, the additional mitigation plans for all top corporate risks were identified.

9. Internal control and related party transactions

9.1 Internal control

Summary of the opinion of the board of directors regarding the internal control of the company

The internal control system of the Group generally conforms to the internal control model advocated by the Committee of Sponsoring Organizations of the Treadway Commission (or, COSO). Management has instituted an appropriate control environment for the organization, which is further guided by the five core values of the Group (that is, Teamwork, Integrity, Prudence, Commitment and Open-mindedness).

This control environment is supported by an organizational structure that has been developed to support the realization of the Group's strategic objectives. The organizational structure sets out clearly delineated lines of responsibility whilst promoting co-ordination across departments. A Chart of Authority (which is regularly reviewed and updated) is in place to set out the authority limits of management at all levels of the Group so they can achieve the organizational objectives.

The Group's core value of Prudence reinforces the importance of good corporate governance (or, CG) at the Group. This is further reflected by the implementation of a systematic enterprise risk management (or, ERM) process at the Group.

This involves the identification, assessment and management of threats and or incidents that may affect the Group. The establishment of a Sustainable Development and Corporate Governance Committee (a sub-committee of the Board of Directors) further emphasizes the value of good CG for the Group. Risks at all levels of the Group are managed through an effective internal control system that is periodically reviewed and updated to reflect the evolving needs of the business. The system of internal controls is documented in procedural manuals and is subjected to independent reviews by the Group's internal audit function.

The Company's commitment to information technology (IT) is clearly demonstrated by its investment in the Oracle enterprise resource planning (or, ERP) solution, which went "live" in late 2017. The investment in the Oracle ERP system, as well as other investments in IT in recent years, have been instrumental in facilitating business continuity in recent years, which was greatly beneficial in minimizing the impact from the COVID-19 pandemic.

The Company also has appropriate communication channels in place (using IT where applicable) to facilitate the monitoring of operations and key controls by both operating management and Senior Management of the Group. Finally, the Audit committee assessed and proposed to the Board of Directors the adequacy of the internal control system of the Company through a complete Internal Control Sufficiency Evaluation Form, as provided by the Securities Exchange Commission (SEC), which was prepared by the management. The Board of Directors and Audit committee deemed the Company's internal control system adequate.

9.1.1 Adequacy and appropriateness of the company's internal control system

Company's internal control system : The Committee of Sponsoring Organizations of the Treadway Commission (COSO)

The Committee of Sponsoring Organizations of the Treadway Commission (COSO)

The Audit Committee, as outlined in the Audit Committee Charter, has a critical role in overseeing the effectiveness and integrity of the Company's internal control systems. This includes assessing the independence of the Internal Audit Department to ensure it operates without any undue influence or conflicts of interest.

In addition to these responsibilities, the Audit Committee is required to prepare and issue a report that reflects its activities and findings. This report, which must be signed by the Chairman of the Audit Committee, is disclosed in the Company's 56-1 One Report. The report specifically addresses the adequacy of the Company's internal control and risk management systems, offering transparency and accountability to stakeholders.

The Securities and Exchange Commission (SEC) provides further recommendations to ensure robust internal control practices. The

SEC suggests the use of its 'Internal Control Sufficiency Evaluation Form' annually as a guide for evaluating and reviewing the adequacy of the Company's internal control systems.

To meet disclosure requirements, the Board of Directors provides a summary of their opinion on the Company's internal control systems on an annual basis in 56-1 One Report. This summary provides a detailed commentary on the adequacy of the Company's internal control and risk management systems, reinforcing the Company's commitment to transparency and sound governance practices.

By adhering to these responsibilities and recommendations, the Company demonstrates its dedication to maintaining effective internal control systems and complying with SEC guidelines, fostering trust and confidence among stakeholders.

9.1.2 Deficiencies related to the internal control system

	2022	2023	2024
Total number of deficiencies related to the internal control system (cases)	0	0	0

9.1.3 Opinions of the audit committee and auditor's observations on internal control

Does the audit committee have opinions on internal control : No
different from the board of directors' opinions?

Does the auditor have any observations on the company's : No
internal control?

9.1.4 Opinions of the audit committee on the position of the head of the internal audit unit

Head of the internal audit unit : Internal personnel

The AC and the Chief Executive Officer jointly appointed Mr. Joseph Soosay as Senior Manager - Internal Audit with effect from 16 July 2012. We hereby express our opinion that the Senior Manager - Internal Audit Department of the Company is adequately experienced to manage the IAD. As a Certified Internal Auditor, he is suitably qualified to fulfil his duties in conformance with the Standards of the Institute of Internal Auditors. The professional credentials of the Senior Manager - Internal Audit Department are listed in the table below:

Full name : Joseph Mugilen Soosay Manickam

Professional Certifications : Certified Internal Auditor (CIA); Chartered Management, Accountant (ACMA); Chartered Global Management Accountant (CGMA)

Work Experience :

2012 - Present - Senior Manager - Internal Audit/ Tipco Asphalt Public Co., Ltd.

2008 - 2012 - Associate Director – Advisory Services/ PricewaterhouseCoopers FAS Ltd.

9.1.5 Appointment, discharge, and transfer of the head of the internal audit unit

Does the appointment, discharge, and transfer of the head of : Yes
the internal audit unit require the audit committee approval?

The Senior Manager - Internal Audit reports functionally to the AC and administratively to the Chief Executive Officer. The appointment, removal and transfer of the Senior Manager - Internal Audit Department is subject to approval by the AC and the Chief Executive Officer.

9.2 Related party transactions ⁽¹⁵⁾

Remark : ⁽¹⁵⁾ The Related Party Transactions listed pertain to items with an aggregate value per individual/legal entity equivalent to 0.03% or more of the Net Total Assets

Related party transactions

Does the company have any related party transactions? : Yes

9.2.1 - 9.2.2 Names of the group of persons who may have a conflict of interest, nature of relationship, and information on related party transactions

Persons/entities with potential conflicts

Name of person or entity/type of business	Nature of relationship	Information as of date
Tipco Tower Company Limited Office space for rent	A major shareholder is a connected person of Tipco Asphalt PLC's director	31 Dec 2024
Colas S.A. Construction and maintenance of transport infrastructure.	Major shareholder	31 Dec 2024
Certain Members of the Supsakorn Family -	Connected persons of Tipco Asphalt PLC's director	31 Dec 2024
Chemoran Limited Manufacture and distribution of asphalt products	Common major shareholder	31 Dec 2024
ISCO INDUSTRY Distribution of asphalt products	Common major shareholder	31 Dec 2024
Continental Bitumen Limited Manufacture and distribution of asphalt products	Common major shareholder	31 Dec 2024
SAMI Bitumen Technologies Pty Ltd Manufacture and distribution of asphalt products	Common major shareholder	31 Dec 2024

Details of related party transactions

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
Tipco Tower Company Limited			
<p>Transaction 1</p> <p>27.37</p> <p>30.37</p> <p>30.60</p> <p><u>Nature of transaction</u></p> <p>Real estate rental transactions for a period not longer than 3-year span</p> <p><u>Details</u></p> <p>The previous leasing contract of the office space from Tipco Tower was for the period of 1 Jan 2022 – 31 Dec 2024. As the contract expired, the management negotiated and agreed for a new leasing rate for the contract period of 1 Jan 2025 – 31 Dec 2027.</p> <p><u>Necessity/reasonableness</u></p> <p>The Company has been leasing the office space in Tipco Tower for almost 30 years. For each contract renewal, we conduct a thorough market rate analysis to ensure competitiveness and alignment with prevailing market conditions. This is achieved by engaging a well-established and reputable third-party property and real estate consultancy to provide an independent assessment of the market rate for comparable buildings. This process ensures that our lease agreements are executed based on informed decision-making and industry benchmarks.</p> <p><u>Audit committee's opinion</u></p> <p>This transaction falls under the category of 'Rental or leased real estate for a period not exceeding three years.' However, as it has been demonstrated to adhere to general commercial conditions, the management may exercise discretion in making a decision.</p>			
<p>Transaction 2</p> <p>6.36</p> <p>9.92</p> <p>8.64</p> <p><u>Nature of transaction</u></p> <p>Ordinary business support transactions</p> <p><u>Details</u></p> <p>Utility and service relates to leasing the office space in Tipco Tower</p> <p><u>Necessity/reasonableness</u></p> <p>Transactions made to support ordinary business under general commercial conditions</p> <p><u>Audit committee's opinion</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
The transaction was executed in accordance with general commercial conditions.			
Transaction 3 <u>Nature of transaction</u> Ordinary business support transactions <u>Details</u> Service income <u>Necessity/reasonableness</u> Transactions made to support ordinary business under general commercial conditions <u>Audit committee's opinion</u> The transaction was executed in accordance with general commercial conditions.	1.03	0.93	0.52
Colas S.A., Certain Members of the Supsakorn Family			
Transaction 1 <u>Nature of transaction</u> Transactions relating to assets or services <u>Details</u> The Board of Directors' Meeting No. 5/2024 held on Tuesday, 12 November 2024, resolved and approved for the Company to increase its shareholding in Thai Slurry Seal Company Limited ("TSS") from the current shareholding of 3,108,334 shares at the par value of THB 100 per share, equivalent to 62.50 percent of total issued and paid-up shares of TSS, to 4,973,332 shares at the par value of THB 100 per share, equivalent to 100 percent of total issued and paid-up shares of TSS, through the acquisition of 1,864,998 ordinary shares at the par value of THB 100 per share, equivalent to 37.50 percent of total issued and paid-up shares of TSS, from other current shareholders of TSS, including Supsakorn Family and Colas S.A. (collectively referred to as the "Seller"), at the offering price of THB 200.00 per share, resulting in the transaction value of THB 372,999,600. <u>Necessity/reasonableness</u>	-	-	372.99

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>Company will be able to pursue its business strategy by determining the business strategic direction, policies and business plans of TSS and TWS to be in accordance with the Company's Mission and Vision. Thus, the Company anticipated its greater cooperation to enhance the competitive advantages of the group to be more effective in various areas, including increasing credibility of TSS and TWS in project biddings in the public and private sectors, reducing costs and risks in raw material sourcing, and reducing financial costs.</p> <p><u>Audit committee's opinion</u></p> <p>The Audit Committee viewed that the transaction is necessary for the Company's growth and the transaction value is reasonable.</p>			
Colas S.A.			
<p>Transaction 1</p> <p>43.65</p> <p>46.81</p> <p>30.69</p> <p><u>Nature of transaction</u></p> <p>Ordinary business support transactions</p> <p><u>Details</u></p> <p>The Group entered into service agreements related to management and marketing services, technical assistance in the manufacture of premium grade asphalt and construction project management. Those agreements have terms 2 - 5 years for which the Group is to pay fees at the rates stipulated in the agreements.</p> <p><u>Necessity/reasonableness</u></p> <p>Colas SA, world leader in construction and maintenance of transport infrastructure, has technical expertise in its products, with research and development centers in France, and specializes in the production formulas of special products and various application techniques.</p> <p><u>Audit committee's opinion</u></p> <p>The transaction was executed in accordance with general commercial conditions.</p>			
<p>Transaction 2</p> <p>42.78</p> <p>44.21</p> <p>32.50</p> <p><u>Nature of transaction</u></p> <p>Ordinary business support transactions</p> <p><u>Details</u></p> <p>Service expenses</p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p><u>Necessity/reasonableness</u></p> <p>Transactions made to support ordinary business under general commercial conditions</p> <p><u>Audit committee's opinion</u></p> <p>The transaction was executed in accordance with general commercial conditions.</p>			
<p>Transaction 3</p> <p><u>Nature of transaction</u></p> <p>Ordinary business support transactions</p> <p><u>Details</u></p> <p>Advisory service and other service income</p> <p><u>Necessity/reasonableness</u></p> <p>Transactions made to support ordinary business under general commercial conditions</p> <p><u>Audit committee's opinion</u></p> <p>The transaction was executed in accordance with general commercial conditions.</p>	1.07	7.87	7.95
Chemoran Limited			
<p>Transaction 1</p> <p><u>Nature of transaction</u></p> <p>Ordinary business transactions</p> <p><u>Details</u></p> <p>Purchase of chemical</p> <p><u>Necessity/reasonableness</u></p> <p>Commercial transactions that the Company or its subsidiary normally makes to operate business under general commercial conditions</p> <p><u>Audit committee's opinion</u></p> <p>The transaction was executed in accordance with general commercial conditions.</p>	-	-	9.14
SAMI Bitumen Technologies Pty Ltd			
<p>Transaction 1</p> <p><u>Nature of transaction</u></p> <p>Ordinary business transactions</p>	2,033.18	2,184.76	2,292.39

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p><u>Details</u></p> <ul style="list-style-type: none"> - Sales of asphalt products - Freight income <p><u>Necessity/reasonableness</u></p> <p>Commercial transactions that the Company or its subsidiary normally makes to operate business under general commercial conditions</p> <p><u>Audit committee's opinion</u></p> <p>The transaction was executed in accordance with general commercial conditions.</p>			
ISCO INDUSTRY			
<p>Transaction 1</p> <p style="text-align: right;">12.99</p> <p style="text-align: right;">53.82</p> <p style="text-align: right;">43.70</p> <p><u>Nature of transaction</u></p> <p>Ordinary business transactions</p> <p><u>Details</u></p> <ul style="list-style-type: none"> - Sales of asphalt products - Freight income <p><u>Necessity/reasonableness</u></p> <p>Commercial transactions that the Company or its subsidiary normally makes to operate business under general commercial conditions</p> <p><u>Audit committee's opinion</u></p> <p>The transaction was executed in accordance with general commercial conditions.</p>			
Continental Bitumen Limited			
<p>Transaction 1</p> <p style="text-align: right;">17.09</p> <p style="text-align: right;">34.00</p> <p style="text-align: right;">38.71</p> <p><u>Nature of transaction</u></p> <p>Ordinary business transactions</p> <p><u>Details</u></p> <p>Commission charged related to marine transportation.</p> <p><u>Necessity/reasonableness</u></p> <p>Commercial transactions that the Company or its subsidiary normally makes to operate business under general commercial conditions.</p> <p><u>Audit committee's opinion</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
The transaction was executed in accordance with general commercial conditions.			
Transaction 2 <u>Nature of transaction</u> Ordinary business transactions <u>Details</u> Sales of asphalt products <u>Necessity/reasonableness</u> Commercial transactions that the Company or its subsidiary normally makes to operate business under general commercial conditions. <u>Audit committee's opinion</u> The transaction was executed in accordance with general commercial conditions.	393.45	0.00	0.00

9.2.4 Information on appraised assets and appraisal price in conjunction with the execution of related party transactions

Can be referred in attachment 4: assets for business undertaking and details of asset appraisal

Part 3 Financial Statement

Board of Directors' Responsibility Statement for the
Financial Report



REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the consolidated and separate financial statements of Tipco Asphalt Public Company Limited and other financial information appears in the 56-1 One Report in accordance with the Public Company Limited Act of 1992, the Securities and Exchange Act of 1992, and the announcement of the Capital Market Supervisory Board concerning the criteria, conditions, and reporting method for the disclosure of information on financial status and performance of companies that issue securities.

The financial statements were prepared in accordance with Thai Financial Reporting Standards and free from material misstatement, whether due to fraud or error, while the Accounting Policies are selected for their appropriateness and consistently implemented. The financial statements are also prepared with careful considerations and best possible estimates while significant information is sufficiently and transparently disclosed in the notes for the benefits of shareholders and other investors.

The Company's external auditor has reviewed and audited the financial statements and expressed an unqualified opinion in the auditor's report.

The Board of Directors had appointed the Audit Committee, comprised of independent directors whose qualifications are in accordance with requirements of the Stock Exchange of Thailand, to review the accuracy and sufficiency of the Company's financial reports and the disclosures of related transactions and the adequacy and efficiency of internal control system. The opinion of the Audit Committee is reported in the Audit Committee's report published in this 56-1 One Report.

The Board of Directors is of the opinion that the consolidated and separate financial statements of the Company ended 31 December 2024 had presented fairly, in all material respects, the financial position and financial performance in accordance with Thai Financial Reporting Standards.

A handwritten signature in black ink, appearing to read "C. Puankosoom".

(Mr. Chainoi Puankosoom)
Chairman

A handwritten signature in black ink, appearing to read "Chaiwat Srivalwat".

(Mr. Chaiwat Srivalwat)
Chief Executive Officer

Auditor's Report

Tipco Asphalt Public Company Limited and its subsidiaries
Report and consolidated and separate financial statements
31 December 2024

Independent Auditor's Report

To the Shareholders of Tipco Asphalt Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Tipco Asphalt Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Tipco Asphalt Public Company Limited for the same period (collectively "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tipco Asphalt Public Company Limited and its subsidiaries and of Tipco Asphalt Public Company Limited as at 31 December 2024, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

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

Key audit matters and how audit procedures respond for each matter are described below.

Valuation of forward contracts

As discussed in Notes 4 and 31 to the financial statements, the Group has entered into derivatives to protect the exposure from the fluctuation in foreign exchange rates and commodity prices, with many counterparties, and presented the fair value of such derivatives in the financial statements. Management therefore relied on a valuation technique and model suggested by expert, in which the assumptions used in the model were based on comparable and observable market inputs. The difference in assumption used in calculation affected the fair value of such derivatives presented in the financial statements.

I gained an understanding of the transaction and recording process of fair value of forward contracts. I sent the confirmations to counterparties. I verified supporting documents and recalculated the fair value of such forward contract transactions, on a sampling basis, for actual transactions occurring during the year. In addition, I tested the calculation of the fair value of derivatives at the end of reporting period and reviewed the fair value used by comparing to the counterparties' information and available market inputs. Moreover, I assessed the adequacy of disclosure of information in notes to the financial statements.

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.



Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874

EY Office Limited

Bangkok: 11 February 2025

Financial Statements

Tipco Asphalt Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Assets					
Current assets					
Cash and cash equivalents		1,846,306,539	3,001,571,115	375,589,117	853,257,473
Trade and other receivables	6, 7	5,721,700,395	4,624,342,863	4,266,086,802	3,239,658,066
Contract assets	8	889,837,990	979,152,846	-	-
Short-term loans to related parties	6	66,680,786	158,487,238	105,000,000	40,000,000
Inventories	9	5,930,426,418	4,907,953,444	4,601,482,509	3,594,088,580
Current tax assets		82,676,979	84,994,628	-	-
Derivative - forward contracts	31	27,636,407	123,343,300	27,252,334	123,249,795
Advance payments for inventories and services	6	156,064,523	306,256,637	2,665,545	726,880
Other current assets		203,881,845	194,024,162	26,890,957	33,685,757
Total current assets		14,925,211,882	14,380,126,233	9,404,967,264	7,884,666,551
Non-current assets					
Investments in subsidiaries	10	-	-	8,576,108,478	8,203,108,878
Investments in joint ventures	11	129,369,147	150,345,811	67,552,611	67,552,611
Investments in associates	12	566,814,044	564,219,500	18,403,580	18,403,580
Long-term loan to a related party	6	-	-	318,476,438	384,675,016
Investment properties	13	191,496,040	189,032,559	94,342,234	94,342,234
Property, plant and equipment	14	6,669,677,900	7,001,271,119	640,176,148	694,361,042
Right-of-use assets	19	627,948,645	753,726,582	68,555,548	96,086,211
Goodwill		195,932,109	195,932,109	-	-
Intangible assets	15	105,096,363	127,413,602	13,200,337	18,669,046
Deferred tax assets	24	231,727,928	153,078,532	96,000,912	54,013,352
Other non-current assets		145,688,716	148,944,661	1,123,977	1,088,976
Total non-current assets		8,863,750,892	9,283,964,475	9,893,941,263	9,632,300,946
Total assets		23,788,962,774	23,664,090,708	19,298,908,527	17,516,967,497

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





Tipco Asphalt Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	16	2,935,165,266	2,164,558,027	2,716,147,190	1,731,696,411
Trade and other payables	6, 17	2,863,800,840	2,848,103,764	3,310,513,578	3,296,490,734
Contract liabilities	8	399,072,232	438,530,590	116,033,823	2,330,849
Current portion of lease liabilities	19	100,120,802	114,425,062	23,808,008	28,190,378
Short-term loans from related parties	6	58,838,478	123,870,480	110,000,000	60,000,000
Income tax payable		370,165,227	121,652,544	289,243,312	71,099,402
Derivative - forward contracts	31	77,744,404	20,313,963	40,812,593	20,163,076
Other current liabilities		156,551,130	110,117,988	30,088,308	48,156
Total current liabilities		6,961,458,379	5,941,572,418	6,636,646,812	5,210,019,006
Non-current liabilities					
Lease liabilities - net of current portion	19	219,113,266	328,125,495	47,614,943	69,578,689
Deferred tax liabilities	24	221,279,850	252,852,918	-	-
Provision for long-term employee benefits	20	280,969,350	239,470,741	152,852,898	131,027,982
Derivative - forward contracts	31	13,387,680	-	1,891,767	-
Total non-current liabilities		734,750,146	820,449,154	202,359,608	200,606,671
Total liabilities		7,696,208,525	6,762,021,572	6,839,006,420	5,410,625,677

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



Tipco Asphalt Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Shareholders' equity					
Share capital					
Registered					
1,578,361,570 ordinary shares of Baht 1 each		1,578,361,570	1,578,361,570	1,578,361,570	1,578,361,570
Issued and fully paid					
1,578,361,570 ordinary shares of Baht 1 each		1,578,361,570	1,578,361,570	1,578,361,570	1,578,361,570
Premium on share capital		1,327,141,921	1,327,141,921	1,327,141,921	1,327,141,921
Other deficits		(555,818,770)	(564,073,047)	-	-
Retained earnings					
Appropriated - statutory reserve	21	172,123,329	172,123,329	172,123,329	172,123,329
Unappropriated		14,158,479,757	14,336,373,950	9,378,014,359	8,981,041,820
Other components of shareholders' equity		(802,039,806)	(512,759,311)	4,260,928	47,673,180
Equity attributable to owners of the Company		15,878,248,001	16,337,168,412	12,459,902,107	12,106,341,820
Non-controlling interests of the subsidiaries		214,506,248	564,900,724	-	-
Total shareholders' equity		16,092,754,249	16,902,069,136	12,459,902,107	12,106,341,820
Total liabilities and shareholders' equity		23,788,962,774	23,664,090,708	19,298,908,527	17,516,967,497

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





Directors



Tipco Asphalt Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Profit or loss:					
Revenues					
Sales and service income		25,797,009,315	27,604,647,348	22,377,064,765	23,383,179,342
Revenues from construction contracts		2,166,892,135	3,501,351,239	-	-
Other income	22	256,578,210	246,044,794	993,767,021	456,184,053
Total revenues		28,220,479,660	31,352,043,381	23,370,831,786	23,839,363,395
Expenses					
Cost of sales and services		22,742,673,046	23,727,964,309	20,283,479,787	20,634,689,217
Gain from commodity forward contracts	31	(22,957,173)	(146,012,843)	(22,957,173)	(146,012,843)
Reduction of cost of inventories to net realisable value (reversal)	9	(13,145,386)	46,906,180	(8,569,943)	27,843,706
		22,706,570,487	23,628,857,646	20,251,952,671	20,516,520,080
Cost of construction		2,121,045,656	3,339,497,675	-	-
Selling expenses		169,148,942	161,681,345	96,670,276	93,813,817
Administrative expenses		1,074,319,643	1,100,185,051	613,140,952	623,463,981
Other expenses					
Impairment loss of investment in a subsidiary	10	-	-	-	172,950,000
Reversal of impairment loss on investment properties and property, plant and equipment	13, 14	(2,675,282)	(625,000)	(211,800)	(625,000)
Total expenses		26,068,409,446	28,229,596,717	20,961,552,099	21,406,122,878
Profit from operating activities		2,152,070,214	3,122,446,664	2,409,279,687	2,433,240,517
Share of loss from investments in joint ventures	11	(16,799,065)	(10,514,237)	-	-
Share of profit from investments in associates	12	127,011,508	122,381,743	-	-
Finance income		28,764,554	28,501,888	29,676,470	35,653,587
Finance cost		(148,028,375)	(142,966,422)	(86,769,259)	(75,267,856)
Expected credit losses	7	(277,878,827)	(211,175,516)	(67,765,282)	(81,371,743)
Profit before income tax		1,865,140,009	2,908,674,120	2,284,421,616	2,312,254,505
Income tax	24	(410,964,787)	(583,203,240)	(300,908,692)	(440,759,917)
Profit for the year		1,454,175,222	2,325,470,880	1,983,512,924	1,871,494,588

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



Tipco Asphalt Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currencies		(199,615,299)	(165,677,191)	-	-
Loss on cash flow hedges - net of income tax	24, 31	(84,830,536)	(75,971,179)	(43,412,252)	(75,971,179)
Net changes in cost of hedging - net of income tax	24, 31	(7,009,441)	-	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		<u>(291,455,276)</u>	<u>(241,648,370)</u>	<u>(43,412,252)</u>	<u>(75,971,179)</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial loss - net of income tax	20, 24	(16,690,213)	604,200	(8,188,124)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		<u>(16,690,213)</u>	<u>604,200</u>	<u>(8,188,124)</u>	<u>-</u>
Other comprehensive income for the year		<u>(308,145,489)</u>	<u>(241,044,170)</u>	<u>(51,600,376)</u>	<u>(75,971,179)</u>
Total comprehensive income for the year		<u>1,146,029,733</u>	<u>2,084,426,710</u>	<u>1,931,912,548</u>	<u>1,795,523,409</u>
Profit attributable to:					
Equity holders of the Company		1,417,148,281	2,305,518,247	1,983,512,924	1,871,494,588
Non-controlling interests of the subsidiaries		37,026,941	19,952,633		
		<u>1,454,175,222</u>	<u>2,325,470,880</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		1,111,177,573	2,077,390,066	1,931,912,548	1,795,523,409
Non-controlling interests of the subsidiaries		34,852,160	7,036,644		
		<u>1,146,029,733</u>	<u>2,084,426,710</u>		
Earnings per share					
27					
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.90</u>	<u>1.46</u>	<u>1.26</u>	<u>1.19</u>

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



Tipco Asphalt Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2024

(Unit: Baht)

Consolidated financial statements													
Equity attributable to owners of the Company													
Other components of equity													
Other comprehensive income													
	Issued and paid-up share capital	Premium on share capital	Other deficits	Retained earnings		Exchange differences on translation of financial statements in foreign currencies	Cash flow hedge reserve	Cost of hedging reserve	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries		Total shareholders' equity
				Appropriated statutory reserve	Unappropriated						attributable to non-controlling interests of the subsidiaries	shareholders' equity	
Balance as at 1 January 2023	1,578,361,570	1,327,141,921	(564,073,047)	172,123,329	14,003,178,416	(407,671,289)	123,644,359	-	(284,026,930)	16,232,705,259	559,489,184	16,792,194,443	
Profit for the year	-	-	-	-	2,305,518,247	-	-	-	-	2,305,518,247	19,952,633	2,325,470,880	
Other comprehensive income for the year	-	-	-	-	504,200	(152,761,202)	(75,971,179)	-	(228,732,381)	(228,128,191)	(12,915,989)	(241,044,170)	
Total comprehensive income for the year	-	-	-	-	2,306,122,447	(152,761,202)	(75,971,179)	-	(228,732,381)	2,077,380,096	7,036,644	2,084,426,710	
Dividend paid (Note 29)	-	-	-	-	-	-	-	-	-	(1,972,926,913)	-	(1,972,926,913)	
Dividend paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	(1,625,104)	(1,625,104)	
Balance as at 31 December 2023	1,578,361,570	1,327,141,921	(564,073,047)	172,123,329	14,336,373,950	(550,432,491)	47,673,180	-	(512,759,311)	16,337,188,412	564,900,724	16,902,089,136	
Balance as at 1 January 2024	1,578,361,570	1,327,141,921	(564,073,047)	172,123,329	14,336,373,950	(550,432,491)	47,673,180	-	(512,759,311)	16,337,188,412	564,900,724	16,902,089,136	
Profit for the year	-	-	-	-	1,417,148,281	-	-	-	-	1,417,148,281	37,026,941	1,454,175,222	
Other comprehensive income for the year	-	-	-	-	(16,690,213)	(197,440,518)	(84,830,536)	(7,009,441)	(289,280,495)	(305,970,708)	(2,174,781)	(308,145,489)	
Total comprehensive income for the year	-	-	-	-	1,400,458,068	(197,440,518)	(84,830,536)	(7,009,441)	(289,280,495)	1,111,177,573	34,852,160	1,146,029,733	
Purchase of investment in a subsidiary (Note 10)	-	-	8,254,277	-	-	-	-	-	-	8,254,277	(381,253,877)	(372,999,600)	
Dividend paid (Note 29)	-	-	-	-	-	-	-	-	-	(1,578,352,251)	-	(1,578,352,251)	
Dividend paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	(3,992,759)	(3,992,759)	
Balance as at 31 December 2024	1,578,361,570	1,327,141,921	(555,818,770)	172,123,329	14,159,479,757	(757,873,009)	(37,157,356)	(7,009,441)	(602,039,606)	15,878,248,001	214,506,248	16,092,754,249	

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



Tipco Asphalt Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2024

(Unit: Baht)

	Separate financial statements						
	Retained earnings			Other comprehensive income		Total	
	Issued and paid-up share capital	Premium on share capital	Appropriated statutory reserve	Unappropriated	Cash flow hedge reserve	Other components of shareholders' equity	shareholders' equity
Balance as at 1 January 2023	1,578,361,570	1,327,141,921	172,123,329	9,082,474,145	123,644,359	123,644,359	12,283,745,324
Profit for the year	-	-	-	1,871,494,588	-	-	1,871,494,588
Other comprehensive income for the year	-	-	-	-	(75,971,179)	(75,971,179)	(75,971,179)
Total comprehensive income for the year	-	-	-	1,871,494,588	(75,971,179)	(75,971,179)	1,795,523,409
Dividend paid (Note 29)	-	-	-	(1,972,926,913)	-	-	(1,972,926,913)
Balance as at 31 December 2023	1,578,361,570	1,327,141,921	172,123,329	8,981,041,820	47,673,180	47,673,180	12,106,341,820
Balance as at 1 January 2024	1,578,361,570	1,327,141,921	172,123,329	8,981,041,820	47,673,180	47,673,180	12,106,341,820
Profit for the year	-	-	-	1,983,512,924	-	-	1,983,512,924
Other comprehensive income for the year	-	-	-	(8,188,124)	(43,412,252)	(43,412,252)	(51,600,376)
Total comprehensive income for the year	-	-	-	1,975,324,800	(43,412,252)	(43,412,252)	1,931,912,548
Dividend paid (Note 29)	-	-	-	(1,578,352,261)	-	-	(1,578,352,261)
Balance as at 31 December 2024	1,578,361,570	1,327,141,921	172,123,329	9,378,014,359	4,260,928	4,260,928	12,459,902,107

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



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Tipco Asphalt Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2024

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash flows from operating activities:				
Profit before income tax	1,865,140,009	2,908,674,120	2,284,421,616	2,312,254,505
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	1,112,406,807	1,195,350,448	155,160,023	173,180,326
Written-off of withholding tax	13,043,217	7,142,584	-	-
Expected credit losses	277,878,827	211,175,516	67,765,282	81,371,743
(Reversal) reduction of cost of inventories to net realisable value	(11,209,048)	46,908,180	(8,569,943)	27,843,706
Impairment loss of investment in a subsidiary	-	-	-	172,950,000
Reversal of impairment loss on investment properties and property, plant and equipment	(2,675,282)	(625,000)	(211,800)	(625,000)
Dividend income from subsidiaries	-	-	(742,111,951)	(195,074,896)
Dividend income from an associate	-	-	(72,685,114)	(65,872,712)
Unrealised loss (gain) on exchange	4,960,217	18,461,105	(769,912)	20,936,971
Loss (gain) on sales/written-off of equipment	29,662,362	9,554,788	29,307,198	(2,520,129)
Loss (gain) on sales/written-off of computer software	209,194	(47,465)	-	(66,339)
Share of loss from investments in joint ventures	16,799,065	10,514,237	-	-
Share of profit from investments in associates	(127,011,508)	(122,381,743)	-	-
Provision for long-term employee benefits	37,019,541	31,683,905	15,455,411	16,044,604
Change in fair value of forward exchange contracts	13,358,863	2,995,664	13,800,319	2,987,467
Change in fair value of commodity forward contracts	50,473,111	(53,211,303)	50,473,111	(53,211,303)
Finance income	(28,764,554)	(28,501,888)	(29,676,470)	(35,653,587)
Finance cost	133,667,930	128,469,235	81,714,225	69,573,961
Profit from operating activities before changes in operating assets and liabilities	3,384,958,751	4,366,160,383	1,844,071,995	2,524,119,317
(Increase) decrease in operating assets				
Trade and other receivables	(1,358,567,934)	2,150,018,355	(1,173,760,626)	2,315,458,809
Contract assets	89,435,480	159,478,903	-	-
Inventories	(1,011,208,006)	27,951,810	(998,823,986)	152,400,927
Advance payments for inventories and services	150,192,114	(2,406,237)	(1,938,665)	677,868
Other current assets	(143,131,746)	(107,782,344)	(45,360,543)	(50,709,715)
Other non-current assets	8,319,289	(4,916,485)	(35,001)	2,153,276
Increase (decrease) in operating liabilities				
Trade and other payables	35,656,689	(872,850,306)	230,209,826	(769,233,372)
Contract liabilities	(39,458,358)	(244,779,133)	113,702,974	(31,520,157)
Other current liabilities	44,531,861	(34,821,472)	30,040,152	(5,234,549)
Other non-current liabilities	(14,734,102)	(38,205,698)	(3,865,650)	(20,120,444)
Cash flows from (used in) operating activities	1,145,994,038	5,397,847,576	(5,759,524)	4,117,991,960
Cash received from withholding tax refundable	65,797,688	-	-	-
Cash paid for corporate income tax	(341,527,124)	(1,240,270,362)	(111,852,249)	(825,422,200)
Net cash flows from (used in) operating activities	870,264,600	4,157,577,214	(117,611,773)	3,292,569,760

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



Tipco Asphalt Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2024

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash flows from investing activities:				
Cash paid for investment in a subsidiary	-	-	(372,999,600)	-
Cash paid for investment in a joint venture	-	(10,000,000)	-	-
Dividend received from subsidiaries	-	-	719,306,941	195,074,896
Dividend received from an associate	72,685,114	65,872,712	72,685,114	65,872,712
(Increase) decrease in short-term loans to related parties	91,806,452	(117,558,762)	(65,000,000)	70,000,000
Cash receipt from interest	29,720,241	26,818,646	2,658,723	5,139,501
Acquisition and cash paid to settle payables from purchases of equipment	(578,419,551)	(410,160,612)	(47,842,938)	(43,599,200)
Cash paid for acquisitions of computer software	(6,506,830)	(6,741,321)	(1,603,868)	(5,538,819)
Proceeds from sales of equipment	27,128,181	21,437,255	6,529,723	2,935,166
Proceeds from sales of computer software	19,018	92,357	-	66,377
Net cash flows from (used in) investing activities	(363,567,375)	(430,239,725)	313,734,095	289,950,633
Cash flows from financing activities:				
Increase (decrease) in short-term loans from financial institutions	789,533,089	(1,063,000,430)	984,450,779	(1,176,623,412)
Increase (decrease) in short-term loans from related parties	(65,032,002)	12,903,175	50,000,000	(40,000,000)
Payment of principal portion of lease liabilities	(128,631,723)	(121,958,163)	(28,345,848)	(25,963,051)
Acquisition of non-controlling interests	(372,999,600)	-	-	-
Dividend paid to shareholders	(1,578,180,549)	(1,972,947,058)	(1,578,180,549)	(1,972,947,058)
Dividend paid to non-controlling interests of subsidiaries	(3,992,759)	(1,625,104)	-	-
Interest paid	(134,973,198)	(124,597,146)	(80,912,588)	(70,095,634)
Net cash flows used in financing activities	(1,494,276,742)	(3,271,224,726)	(652,988,206)	(3,285,629,155)
Exchange differences on translation of financial statements in foreign currencies	(147,217,245)	(68,502,001)	-	-
Net increase (decrease) in cash and cash equivalents	(1,134,796,762)	387,610,762	(456,865,884)	296,891,238
Net foreign exchange difference	(20,467,814)	10,465,411	(20,802,472)	9,890,790
Cash and cash equivalents at beginning of year	3,001,571,115	2,603,494,942	853,257,473	546,475,445
Cash and cash equivalents at end of year	1,846,306,539	3,001,571,115	375,589,117	853,257,473
Supplemental cash flows information				
Non-cash transactions				
Acquisitions of equipment for which cash has not been paid	4,625,946	2,185,861	-	-
Additions to right-of-use assets and lease liabilities	16,537,610	147,902,078	1,999,731	32,262,979

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



Notes to the Financial Statements

Tipco Asphalt Public Company Limited and its subsidiaries

Notes to financial statements

For the year ended 31 December 2024

1. General information

Tipco Asphalt Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The major shareholders of the Company are Supsakorn family and Colas Group, a company incorporated in French Republic. The Company is principally engaged in the manufacture and distribution of asphalt and petroleum products and its registered address is 118/1 Rama 6 Road, Phayathai Sub district, Phayathai District, Bangkok.

2. Basis of preparation

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

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

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



2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Tipco Asphalt Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Paid-up capital		Shareholding percentage	
		2024 (Million Baht)	2023 (Million Baht)	2024 (%)	2023 (%)
<u>Subsidiaries incorporated in Thailand</u>					
Raycol Asphalt Co., Ltd.	Manufacture and distribution of asphalt products	111	111	100.00	100.00
Thai Bitumen Co., Ltd.	Manufacture and distribution of asphalt products	375	375	99.99	99.99
Ravana 1020 Co., Ltd. (“Ravana”)	Distribution of machine, materials and tools relating to road construction	80	80	99.99	99.99
Indrachit Holding Co., Ltd. (Owned by Ravana)	Holding company	1	1	99.98	99.98
Tipco Maritime Co., Ltd.	Shipping management and agency	2	2	99.99	99.99
Alpha Maritime Co., Ltd.	Marine transportation	143	143	99.99	99.99
Bitumen Marine Co., Ltd.	Marine transportation	150	150	99.99	99.99
Tasco Shipping Co., Ltd.	Marine transportation	290	290	99.99	99.99
Thai Slurry Seal Co., Ltd. (“Thai Slurry Seal”)	Road rehabilitation services and sales of construction materials	497	497	99.99	62.50
Thanomwong Service Co., Ltd. (Owned by Thai Slurry Seal)	Construction service and sales of construction materials	2,500	2,500	99.99	62.50



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Company's name	Nature of business	Paid-up capital		Shareholding percentage	
		2024	2023	2024 (%)	2023 (%)
<u>Subsidiaries incorporated in Malaysia</u>					
Kemaman Oil Corporation Sdn Bhd ("KOC")	Holding company, manufacture, storer, tank rental and distribution of asphalt and petroleum products	151.96 Million MYR	151.96 Million MYR	100.00	100.00
Kemaman Bitumen Company Sdn Bhd ("KBC")	Manufacture, refinery, storer and distribution of asphalt and petroleum products	305.55 Million MYR	305.55 Million MYR	100.00	100.00
KBC Trading Sdn Bhd (10% owned by the Company and 20% owned by KOC)	Distribution of asphalt products	0.30 Million MYR	0.30 Million MYR	30.00	30.00
<u>Subsidiaries incorporated in Singapore</u>					
Highway Resources Pte. Ltd. ("HR")	Holding company	4.78 Million SGD	4.78 Million SGD	100.00	100.00
Highway Resources Trading Pte. Ltd. (100% owned by HR)	Dormant	0.01 Million USD	0.01 Million USD	100.00	100.00
AD Shipping Pte. Ltd.	Marine transportation	7.13 Million SGD	7.13 Million SGD	100.00	100.00
Reta Link Pte. Ltd.	Dormant	0.05 Million SGD	0.05 Million SGD	100.00	100.00
Pacific Bitumen Shipping Ptes Ltd.	Marine transportation	0.04 Million USD	0.04 Million USD	100.00	100.00



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Company's name	Nature of business	Paid-up capital		Shareholding percentage	
		2024	2023	2024 (%)	2023 (%)
<u>Subsidiary incorporated in Vietnam</u>					
Asphalt Distribution Co., Ltd. (100% owned by HR)	Manufacture and distribution of asphalt products	115,650 Million VND	115,650 Million VND	100.00	100.00
<u>Subsidiaries incorporated in Indonesia</u>					
PT Asphalt Bangun Sarana ("ABS")	Manufacture and distribution of asphalt products	58,450 Million IDR	58,450 Million IDR	99.99	99.99
PT Saranaraya Reka Cipta (99.90% owned by ABS)	Manufacture and distribution of asphalt products	10,477 Million IDR	10,477 Million IDR	99.89	99.89
<u>Subsidiary incorporated in Cambodia</u>					
Tipco Asphalt (Cambodia) Co., Ltd.	Manufacture and distribution of asphalt products	20 Million Riel	20 Million Riel	100.00	100.00
<u>Subsidiary incorporated in Lao People's Democratic Republic</u>					
Tipco Asphalt Lao Co., Ltd.	Manufacture and distribution of asphalt products	26,675 Million LAK	26,675 Million LAK	75.00	75.00



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Company's name	Nature of business	Paid-up capital		Shareholding percentage	
		2024	2023	2024	2023
<u>Subsidiary incorporated in Hong Kong</u>					
Tasco International (Hong Kong) Ltd. ("TIHK")	Holding company	97.97 Million HKD	97.97 Million HKD	100.00	100.00
<u>Subsidiaries incorporated in China (owned by TIHK)</u>					
Langfang Tongtai Road Material Co., Ltd.	Manufacture and distribution of asphalt products	2.10 Million USD	2.10 Million USD	51.00	51.00
Tipco Asphalt (Xinhui) Co., Ltd.	Manufacture and distribution of asphalt products	30 Million RMB	30 Million RMB	100.00	100.00
Guangzhou Tipco Asphalt Trading Co., Ltd.	Distribution of asphalt products	6 Million RMB	6 Million RMB	100.00	100.00



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- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated as from the date on which the Company obtains control and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as those of the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rates 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 currencies" in the statement of changes in shareholders' equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries, joint ventures and associates under the cost method.

2.4 The Group has interests in joint operations which are joint arrangements whereby subsidiaries has rights to assets and obligations relating to the joint arrangements. The Group recognises assets, liabilities, revenues and expenses in relation to its interest in the following joint operations in the consolidated and separate financial statements of subsidiaries from the date that joint control commences until the date that joint control ceases.

Joint venture's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2024	2023
TN Joint Venture	Construction service	Thailand	51.61	51.61
TN-CEI Joint Venture	Construction service	Thailand	51.00	51.00
TH Joint Venture	Construction service	Thailand	51.00	51.00
NTH Joint Venture	Construction service	Thailand	23.50	23.50
NT Joint Venture	Construction service	Thailand	49.00	49.00
FDS Joint Venture	Construction service	Thailand	60.00	-
CTTPD Joint Venture	Construction service	Thailand	32.00	-



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 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 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 2025

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 2025. 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. Accounting policies

4.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts to customers.

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.

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The likelihood of contract variation claims and liquidated damages, delays in delivery or contractual penalties are taken into account in determining the revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

Rendering of services

Service revenue is recognised over time when services have been rendered taking into account the stage of completion.

Vessel operating income consists of time charters and voyage charters. Income from time charters is recognised when the right to use a vessel is transferred to a lessee for an agreed period of time, while income from voyage charters is recognised by reference to the stage of completion.

Costs of construction

Costs of construction services consist of costs of materials, labour, sub-contractors, services and other expenses.

Costs of construction are recognised in accordance with satisfied performance obligations in the contract when incurred. Provision for anticipated losses on projects is made in the accounts in full when the possibility of loss is ascertained.

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 Balances of contracts with customers

Contract assets

A contract asset is the excess of cumulative revenue earned over the billings to date. Allowance for impairment loss is provided for the estimated losses that may be incurred in customer collection. Contract assets are transferred to receivables when the rights become unconditional.



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 services to its customer. Contract liabilities are recognised as revenue when the Group fulfils its performance obligations under the contracts.

4.3 Cash and cash equivalents

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

4.4 Inventories

Finished goods and work in process are valued at the lower of cost determined under the weighted average cost method and net realisable value. Cost of finished goods includes all production costs and attributable factory overheads.

Raw materials, packaging materials, spare parts and factory supplies are valued at the lower of cost determined under the weighted average cost method and net realisable value. Raw materials, packaging materials, spare parts and factory supplies are charged to production costs whenever consumed.

4.5 Investments in subsidiaries, joint ventures and associates

Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements using the cost method less allowance for loss on impairment (if any).

4.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over the estimated useful lives of 5 and 20 years. Depreciation of the investment properties is included in profit or loss. No depreciation is provided on land.

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



4.7 Property, plant and equipment/Depreciation

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

Building and equipment acquired through business combination are initially recognised at their fair value on the date of business acquisition. Following the initial recognition, the building and equipment are carried at cost less accumulated depreciation and less allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs less residual value on the straight-line basis over the following estimated useful lives:

Land improvement	20 years
Buildings and complements	5 to 47 years
Building improvements	20 to 30 years
Machinery, tools and equipment	1.5 to 20 years
Furniture and office equipment	3 to 5 years
Vehicles	5 to 10 years
Vessels	2.5 to 30 years

Depreciation is included in profit or loss.

No depreciation is provided on land, construction in progress and equipment under installation.

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



4.8 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less accumulated amortisation and less allowance for loss on impairment of assets (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 asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	3 to 5 years
Customer relationship	8 to 29 years
Non-competition clause	5 years
Backlog	3 to 4 years

4.9 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less allowance for impairment loss (if any). Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of group of cash-generating unit that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each group of cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss and will not be reversed in future periods.



4.10 Leases

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

The Group recognises right-of-use assets and lease liabilities based on lease payments for all leases as at the date underlying assets are available for use (the commencement date of the lease), except a lease that has a lease term of no more than 12 months or a lease of low-value assets, for which the Group recognises lease payments as expenses on a straight-line basis over the lease term.

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.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis or their estimated useful lives if ownership of the leased asset is transferred to the Group at the end of the lease term.

Land and buildings	10 to 50 years
Machinery and equipment	5 to 17 years
Office equipment	4 to 5 years
Motor vehicles	4 to 6 years

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term, discounted 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. The carrying amount of lease liabilities is remeasured if there is a lease modification.



4.11 Related party transactions

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

They also include joint ventures, associates and individuals 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 operations of the Group.

4.12 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 of each entity 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 the reporting period.

Gains and losses on exchange are included in profit or loss.

4.13 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.



4.14 Employee benefits

Short-term employee benefits

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

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Company and its local subsidiaries provide other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit or loss.

4.15 Provisions

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



4.16 Income Tax

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

Current tax

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

Deferred tax

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

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

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

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

4.17 Financial instruments

The Group initially measures financial assets at their 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 at FVTPL

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

These financial assets include derivatives 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

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



Derecognition of financial instruments

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

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

Impairment of financial assets

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

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

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

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

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.



4.18 Derivatives and hedge accounting

The Group entered into forward exchange contracts and commodity forward contracts to hedge against fluctuations in foreign exchange rates and commodity prices, respectively.

Derivatives are initially recognised at fair value on the date of the derivative contract and are subsequently remeasured at fair value. They are carried as financial assets or financial liabilities depending on the fair value of the derivatives. Subsequent changes in fair value are recognised in profit or loss, unless the derivative is designated as an effective hedging instrument under a cash flow hedge, when it is recognised using hedge accounting.

Hedge accounting for cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve and later reclassified to profit or loss when the hedged cash flows affect profit or loss or no longer exist. If the hedged transaction subsequently results in the recognition of a non-financial item, the reserve will be included in the initial cost or other carrying amount of the hedged asset or liability.

In case of the Group designates only the spot element of forward contracts as a hedging instrument, the change in fair value of the forward element of forward contracts, which separately accounted for as a cost of hedging, is recognised in other comprehensive income and accumulated in a separate component of equity under cost of hedging reserve. Once the hedged transaction is recognised as a non-financial item, then the reserve is removed directly from equity and included in the initial carrying amount of the recognised non-financial item.

The Group prepares formal documentation on the date that hedge accounting is applied, and provides regular updates regarding the risk management objectives and strategies and the relationships between the hedging instruments and hedged items, including the nature of the risks being hedged, how the Group assesses the hedge effectiveness, analysis of the causes of hedge ineffectiveness and how the hedge ratio is determined.



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The Group considers hedging effective when all of the following requirements are met.

- There is an economic relationship between hedged items and hedging instruments.
- Counterparty credit risk is not a significant factor in the change in the fair value of hedging instruments and hedged items.
- The ratio of the quantity of hedging instruments to the quantity of hedged items is equal to the hedge ratio.

4.19 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 observable 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 requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures, and actual results could differ from these estimates. Significant judgments and estimates are as follows:

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

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.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.



Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the future and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to property, plant and equipment, vessel and goodwill recognised by the Group.

Net realisable value of inventories

The management uses judgment to estimate the net realisable value of inventories taking into consideration the fluctuation of price or cost directly relating to events occurring after the reporting period.

Consolidation of subsidiary that the Group hold less than half of shares

The management of the Group determined that the Group has control over KBC Trading Sdn Bhd, even though the Group holds 30 percent of shares that is less than half of shares. This is because the Group has control over that company through its board of directors. As a result, KBC Trading Sdn Bhd is deemed to be a subsidiary of the Group and has to be included in the consolidated financial statements from the date on which the Group assumed control.



6. Related party transactions

During the year, 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	financial statements	financial statements	
	2024	2023	2024	2023	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales and service income	-	-	5,876	7,856	Cost plus certain margin
Rental and service income	-	-	11	9	Contract price
Technical and administrative assistance income	-	-	57	60	Contract price
Interest income	-	-	28	34	At rates of 2.00 - 3.20 percent and SOFR plus 1.50 percent per annum
Dividend income	-	-	742	195	
Purchases of goods	-	-	7	13	Cost plus certain margin
Rental and service expenses	-	-	1,856	1,932	Contract price
Interest expenses	-	-	1	1	At rate of 1.00 - 1.75 percent per annum
<u>Transactions with joint arrangements</u>					
Sales and service income	633	836	391	374	Market price / contract price
Revenues from construction contracts	137	140	-	-	Contract price
Rental and service income	4	7	-	-	Contract price
Interest income	4	4	-	-	At rate of 3.20 - 6.86 percent per annum
Purchases of goods	434	535	434	535	Market price
<u>Transactions with group of other joint operators</u>					
Sales and service income	3	-	-	-	Market price / contract price
Purchases of goods	42	116	-	-	Market price / contract price
Cost of construction	245	269	-	-	Contract price
Rental and service expenses	4	-	-	-	Contract price
Interest expenses	6	9	-	-	At rates of 6.35 - 7.05 percent per annum
<u>Transactions with associates</u>					
Dividend income	-	-	73	66	
Rental and service expense	3	3	-	-	Contract price



(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2024	2023	2024	2023	
<u>Transactions with related companies</u>					
Sales and service income	2,382	2,282	2,317	2,194	Market price / contract price
Rental and service income	48	38	7	3	Contract price
Purchases of goods	9	-	-	-	Market price / contract price
Rental and service expenses	104	92	83	61	Contract price
Technical and administrative assistance expenses	31	47	23	31	Contract price

The balances of the accounts between the Group and those related companies as at 31 December 2024 and 2023 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
<u>Trade and other receivables- related parties</u> (Note 7)				
Subsidiaries	-	-	833,584	1,325,132
Joint arrangements	277,770	177,322	80,038	7,404
Associates	2,329	3,424	-	-
Group of other joint operators	2,382	3,809	-	-
Related companies (common shareholders and directors)	338,703	230,200	276,754	210,378
Total trade and other receivables - related parties	621,184	414,755	1,190,376	1,542,914
<u>Unbilled receivables - related parties</u>				
Joint arrangements	34,283	17,215	-	-
Total unbilled receivables - related parties	34,283	17,215	-	-
<u>Advance payments for inventories and services - related parties</u>				
Group of other joint operators	23,391	77,461	-	-
Total advance payments for inventories and services - related parties	23,391	77,461	-	-

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(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<u>Trade and other payables - related parties</u> (Note 17)				
Subsidiaries	-	-	1,618,343	2,098,268
Joint arrangements	252	674	23	21
Associates	-	553	-	-
Group of other joint operators	314,859	332,734	-	-
Related companies (common shareholders and directors)	59,994	83,326	51,118	63,142
Total trade and other payables - related parties	375,105	417,287	1,669,484	2,161,431

Advance received from inventories and services - related parties

Subsidiaries	-	-	68,870	-
Joint arrangements	10,482	12,532	-	-
Related companies (common shareholders and directors)	53,537	37,230	-	-
Total advance received from inventories and services - related parties	64,019	49,762	68,870	-

Loans to related parties and loans from related parties

The balances and the movements of loans between the Company and those related companies are as follows:

(Unit: Thousand Baht)

Company's name	Related by	Consolidated financial statements			
		Balance as at 31 December 2023	Increase during the year	Decrease during the year	Balance as at 31 December 2024
<u>Short-term loans to related parties</u>					
TN Joint Venture	Joint arrangement	158,487	113,033	(219,739)	51,781
TDS Joint Venture	Joint arrangement	-	40	(40)	-
Nila Solutions Co., Ltd.	Joint arrangement	-	5,000	-	5,000
Dusit Service Co., Ltd.	Common directors	-	100	-	100
Nawarat Patanakarn PCL	Other joint operator	-	9,800	-	9,800
Total		158,487	127,973	(219,779)	66,681
<u>Short-term loans from a related party</u>					
Nawarat Patanakarn PCL	Other joint operator	123,870	-	(65,032)	58,838



(Unit: Thousand Baht)

Company's name	Related by	Separate financial statements				Balance as at 31 December 2024
		Balance as at 31 December 2023	Increase during the year	Decrease during the year	Loss on exchange	
Short-term loans to related parties						
Alpha Maritime Co., Ltd.	Subsidiary	40,000	-	-	-	40,000
Ravana 1020 Co., Ltd.	Subsidiary	-	75,000	(10,000)	-	65,000
Total		40,000	75,000	(10,000)	-	105,000
Long-term loan to a related party						
Pacific Bitumen Shipping Pte. Ltd.	Subsidiary	384,675	-	(63,635)*	(2,564)	318,476

* Pacific Bitumen Shipping Pte. Ltd. offsets its long-term loan and accrued interest to be repaid to the Company with outstanding balance receivable from the Company totaling Baht 186 million.

Short-term loan from a related party

Raycol Asphalt Co., Ltd.	Subsidiary	60,000	50,000	-	-	110,000
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Directors and management's benefits

During the years ended 31 December 2024 and 2023, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2024	2023	2024	2023
Short-term employee benefits	191	196	171	174
Post-employment benefits and other long-term benefits	2	6	2	6
Total	193	202	173	180

Guarantee obligations with related parties

The Group has outstanding guarantee obligations with its related parties, as described in Note 18 and Note 30.5 to the financial statements.

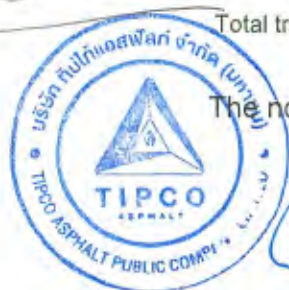


7. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<u>Trade receivables - related parties</u> (Note 6)				
Aged on the basis of due dates				
Not yet due	429,281	287,669	905,065	1,019,666
Past due				
Up to 3 months	146,740	31,349	61,477	201,778
3 - 6 months	-	31,323	72,384	102,395
6 - 9 months	-	-	25,869	27,267
9 - 12 months	-	3,538	23,877	-
Over 12 months	22,119	21,483	-	-
Total trade receivables - related parties	<u>598,140</u>	<u>375,362</u>	<u>1,088,672</u>	<u>1,351,106</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	3,606,222	2,412,218	2,325,965	842,710
Past due				
Up to 3 months	887,084	691,694	499,136	357,072
3 - 6 months	247,229	510,663	158,815	274,396
6 - 9 months	130,828	353,589	47,608	186,158
9 - 12 months	153,352	219,898	25,859	103,305
Over 12 months	885,711	560,387	309,118	144,374
Total	<u>5,910,426</u>	<u>4,748,449</u>	<u>3,366,501</u>	<u>1,908,015</u>
Less: Allowance for expected credit losses	<u>(867,693)</u>	<u>(607,821)</u>	<u>(312,565)</u>	<u>(244,813)</u>
Total trade receivables - unrelated parties, net	<u>5,042,733</u>	<u>4,140,628</u>	<u>3,053,936</u>	<u>1,663,202</u>
Total trade receivables - net	<u>5,640,873</u>	<u>4,515,990</u>	<u>4,142,608</u>	<u>3,014,308</u>
<u>Other receivables</u>				
Accounts receivable from commodity forward contracts				
	20,447	32,756	20,447	32,756
Accrued dividend receivables - related party (Note 6)	-	-	22,805	-
Other receivables - related parties (Note 6)	23,044	39,393	78,899	191,808
Other receivables - unrelated parties	37,336	36,204	1,328	786
Total other receivables	<u>80,827</u>	<u>108,353</u>	<u>123,479</u>	<u>225,350</u>
Total trade and other receivables - net	<u>5,721,700</u>	<u>4,624,343</u>	<u>4,266,087</u>	<u>3,239,658</u>

The normal credit terms are due 30 - 90 days.



Set out below is the movements in the allowance for expected credit losses of trade receivables.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Beginning balance	607,821	436,080	244,813	166,439
Allowance for expected credit losses	404,839	301,388	137,818	120,522
Amount recovered	(126,960)	(101,695)	(70,053)	(39,151)
Amount written-off	(1,791)	(15,752)	(13)	(2,997)
Effect from foreign exchange	(16,216)	(12,200)	-	-
Ending balance	867,693	607,821	312,565	244,813

8. Contract assets/Contract liabilities

8.1 Contract balances

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Contract assets				
Unbilled receivables	713,330	677,474	-	-
Retention receivables	183,884	309,176	-	-
Less: Allowance for expected credit losses	(7,376)	(7,497)	-	-
Total retention receivables - net	176,508	301,679	-	-
Total contract assets	889,838	979,153	-	-
Contract liabilities				
Advances received from inventories and services	399,072	438,531	116,034	2,331
Total contract liabilities	399,072	438,531	116,034	2,331

During the current year, the Group was not recognised an allowance for expected credit losses on contract assets in the consolidated financial statements (2023: Baht 7 million).

8.2 Unbilled receivables

As at 31 December 2024, the balance of unbilled receivables of Baht 713 million was expected to be billed within one year (2023: Baht 677 million).



8.3 Revenue recognised in relation to contract balances

During the current year, the Group recognised contract liabilities at the beginning of the year of Baht 144 million (2023: Baht 280 million) as revenue, and recognised increase in revenue from changes in variable considerations of performance obligations satisfied in previous years of Baht 3 million (2023: decrease by Baht 11 million).

8.4 Revenue to be recognised for the remaining performance obligations

As at 31 December 2024, the Group expected to recognise revenue totaling Baht 3,637 million (2023: Baht 2,545 million) in the future in respect of performance obligations under contracts with customers that have not been satisfied or partially unsatisfied. The Group expects to satisfy these performance obligations within 3 years.

9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduction of cost to net realisable value		Inventories - net	
	2024	2023	2024	2023	2024	2023
Finished goods	1,810,983	1,896,532	(17,985)	(30,588)	1,792,998	1,865,944
Raw materials	3,776,713	2,891,039	(19,794)	(19,022)	3,756,919	2,872,017
Packaging materials, spare parts and factory supplies	161,989	172,015	(7,963)	(7,362)	154,026	164,653
Goods in transit	226,483	5,339	-	-	226,483	5,339
Total	5,976,168	4,964,925	(45,742)	(56,972)	5,930,426	4,907,953

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduction of cost to net realisable value		Inventories - net	
	2024	2023	2024	2023	2024	2023
Finished goods	1,186,211	1,187,318	(12,346)	(21,349)	1,173,865	1,165,969
Raw materials	3,339,089	2,427,009	(8,334)	(8,306)	3,330,755	2,418,703
Packaging materials, spare parts and factory supplies	8,793	8,149	(506)	(107)	8,287	8,042
Goods in transit	88,576	1,375	-	-	88,576	1,375
Total	4,622,669	3,623,851	(21,186)	(29,762)	4,601,483	3,594,089



During the current year, the Group recorded reduction of cost of inventories to reflect the net realisable value in which reversed by Baht 13 million which was deducted in cost of sales and reduced by Baht 2 million which was included in cost of construction (2023: reduced by Baht 47 million which was included in cost of sales) (the Company only: reversed by Baht 9 million which was deducted in cost of sales (2023: reduced by Baht 28 million which was included in cost of sales)).

10. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements

Company's name	Investment cost		(Unit: Thousand Baht) Dividend received during the year	
	2024	2023	2024	2023
<u>Domestic subsidiaries</u>				
Raycol Asphalt Co., Ltd.	583,030	583,030	138,750	77,700
Thai Bitumen Co., Ltd.	386,697	386,697	54,375	112,500
Ravana 1020 Co., Ltd.	79,999	79,999	-	-
Tipco Maritime Co., Ltd.	2,945	2,945	24,996	-
Alpha Maritime Co., Ltd.	142,999	142,999	45,045	-
Bitumen Marine Co., Ltd.	149,999	149,999	-	-
Tasco Shipping Co., Ltd.	289,999	289,999	252,300	-
Thai Slurry Seal Co., Ltd.	971,042	598,043	-	-
<u>Overseas subsidiaries</u>				
Tasco International (Hong Kong) Ltd.	537,072	537,072	-	-
Less: Allowance for impairment loss of investment	(65,420)	(65,420)	-	-
Kemaman Oil Corporation Sdn Bhd	1,303,035	1,303,035	45,270	-
Kemaman Bitumen Company Sdn Bhd	2,769,493	2,769,493	-	-
KBC Trading Sdn Bhd	1,377	1,377	-	-
Tipco Asphalt (Cambodia) Co., Ltd.	3,352	3,352	101,544	-
PT Asphalt Bangun Sarana	337,254	337,254	-	-
Pacific Bitumen Shipping Pte. Ltd.	1,340	1,340	-	-
Highway Resources Pte. Ltd.	717,054	717,054	70,694	-
AD Shipping Pte. Ltd.	430,232	430,232	-	-
Less: Allowance for impairment loss of investment	(172,950)	(172,950)	-	-
Reta Link Pte. Ltd.	28,682	28,682	-	-
Tipco Asphalt Lao Company Limited	78,877	78,877	9,138	4,875
Total investments in subsidiaries	8,576,108	8,203,109	742,112	195,075

The paid-up capital and percentage of shareholding are presented in Note 2.2 to the financial statements.



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Acquisition of investment in Thai Slurry Seal Co., Ltd. ("Thai Slurry Seal")

On 12 November 2024, the Company's Board of Director Meeting passed a resolution to approve the increase of its shareholding in Thai Slurry Seal from the current shareholding of 3,108,334 shares with the par value of Baht 100 per share, equivalent to 62.50 percent of total issued and paid-up shares, to 4,973,332 shares with the par value of Baht 100 per share, equivalent to 99.99 percent of total issued and paid-up shares, through the acquisition from Supsakorn family and Colas Group of 1,864,998 ordinary shares with the par value of Baht 100 per share, equivalent to 37.49 percent of the total issued and paid-up shares, at acquisition price of Baht 200 per share, totaling Baht 373 million.

On 2 December 2024, the Company received 1,864,998 ordinary shares of Thai Slurry Seal and made full payment for these shares. As a result of the share acquisition, the Company's shareholding in Thai Slurry Seal increased from 62.50% to 99.99% of all issued and paid-up shares, and the Group recorded surplus from change in the ownership interest in a subsidiary under shareholders' equity in the consolidated statement of financial position. The details were as follows:

	(Unit: Thousand Baht)
	Consolidated
	financial statements
Non-controlling interests of the subsidiary	381,254
Less: Cash paid for acquisition of investment in a subsidiary	(373,000)
Surplus from the change in the ownership interests in a subsidiary	<u>8,254</u>

Investment in Indrachit Holding Company Limited ("Indrachit")

On 16 June 2023, the Board of Directors' Meeting of Ravana 1020 Company Limited ("Ravana") passed a resolution approving to invest in a newly incorporated subsidiary, Indrachit Holding Company Limited, in which Ravana holds 99.98% of total registered share capital of Baht 1 million (10,000 ordinary shares of Baht 100 each). Indrachit is principally engaged in investing in innovation projects. Ravana already paid for such share capital and completed the incorporation process in 2023.

Impairment loss of investment in AD Shipping Pte. Ltd.

During 2023, the Company recorded allowance for impairment loss on investment in AD Shipping Pte. Ltd. of Baht 173 million presented as a separate item in profit or loss of the separate financial statements.

The image shows a handwritten signature in blue ink over a circular blue stamp. The stamp contains the text 'บริษัท ทีพีซีแอสฟัลท์ จำกัด (มหาชน)' (TIPCO Asphalt Public Company Limited) around the perimeter and 'TIPCO ASPHALT PUBLIC COMPANY LIMITED' at the bottom. In the center of the stamp is a logo featuring a triangle with a stylized 'T' and 'P' inside.

11. Investments in joint ventures

11.1 Details of investments in joint ventures:

Investments in joint ventures represent investments in entities which are jointly controlled by the Company and other companies. Details of these investments are as follows:

(Unit: Thousand Baht)

Joint ventures	Nature of business	Country of incorporation	Consolidated financial statements			
			Shareholding percentage		Carrying amounts based on equity method	
			2024 (%)	2023 (%)	2024	2023
Asia Bitumen Trading Pte. Ltd. (Owned by TIHK)	Distribution of asphalt and petroleum products	Singapore	50	50	44,507	44,606
Borneo Asphalt Sdn Bhd (Owned by KBC)	Distribution of asphalt products	Malaysia	50	50	-	8,613
Phoenix Asphalt Philippines Inc.	Manufacture and distribution of asphalt and petroleum products	The Philippines	40	40	78,901	87,851
Nila Solutions Co., Ltd. (Owned by Indrachit)	Software services	Thailand	50	50	5,961	9,276
Total					129,369	150,346

(Unit: Thousand Baht)

Joint venture	Nature of business	Country of incorporation	Separate financial statements					
			Shareholding percentage		Carrying amounts based on cost method			
			2024 (%)	2023 (%)	2024 Cost	2023 Cost		
Phoenix Asphalt Philippines Inc.	Manufacture and distribution of asphalt and petroleum products	The Philippines	40	40	67,553	67,553	67,553	67,553
Total					67,553	67,553	67,553	67,553



Investment in Nila Solutions Company Limited (“Nila”)

On 3 July 2023, the Board of Directors’ Meeting of Indrachit passed a resolution approving to invest in Nila Solutions Company Limited, a newly incorporated company as joint venture, in which Indrachit holds 50% of the total registered share capital of Baht 20 million (200,000 ordinary shares of Baht 100 each). Nila operates as a joint venture with Skyller Solutions Company Limited to provide software services of stockpile monitoring and construction progress monitoring. Nila completed the incorporation process and received such share capital payment in 2023.

Investment in Borneo Asphalt Sdn Bhd (“Borneo”)

On 31 December 2023, the Board of Directors’ Meeting of KBC passed a resolution approving to increase in such investment in Borneo to the original proportion of 50 percent of the total registered capital increase of MYR 4.1 million (4,108,356 preference shares of MYR 1 each). KBC has paid for the shares through conversion of advance payments and accrued interest in the amount of MYR 2.05 million or equivalent to approximately Baht 15 million.

11.2 Share of comprehensive income

The Group recognised its share of profit/loss from investments in the joint ventures in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Joint ventures	Consolidated financial statements	
	Share of profit (loss) from investments in joint ventures during the year	
	2024	2023
Asia Bitumen Trading Pte. Ltd.	320	170
Borneo Asphalt Sdn Bhd	(8,850)	(16,560)
Phoenix Asphalt Philippines Inc.	(4,954)	6,600
Nila Solutions Company Limited	(3,315)	(724)
Total	(16,799)	(10,514)



11.3 Summarised financial information about material joint ventures

Summarised information about financial position as at 31 December 2024 and 2023 are as below.

(Unit: Million Baht)

	Asia Bitumen Trading Pte. Ltd.		Borneo Asphalt Sdn Bhd		Phoenix Asphalt Philippines Inc.	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Cash and cash equivalent	206.4	95.1	6.1	16.1	31.4	7.8
Trade and other receivables	0.4	75.0	46.7	52.2	78.4	44.4
Other assets	3.9	1.4	288.4	308.9	256.0	270.0
Trade and other payables	(117.7)	(74.7)	0.2	(3.3)	(8.9)	(7.6)
Other liabilities	(4.0)	(7.6)	(361.1)	(356.7)	(159.6)	(95.0)
Net assets	89.0	89.2	(19.7)	17.2	197.3	219.6
Shareholding percentage (%)	50	50	50	50	40	40
Carrying amounts of joint ventures based on equity method	44.5	44.6	(9.8)	8.6	78.9	87.9

Summarised information about profit and loss for the years ended 31 December 2024 and 2023 are as below.

(Unit: Million Baht)

	For the year ended 31 December					
	Asia Bitumen Trading Pte. Ltd.		Borneo Asphalt Sdn Bhd		Phoenix Asphalt Philippines Inc.	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Total revenues	1,145.7	1,478.0	248.8	339.0	877.7	722.6
Cost of goods sold	(1,122.8)	(1,451.8)	(263.0)	(337.5)	(826.2)	(660.6)
Total expenses	(22.3)	(25.8)	(22.9)	(33.7)	(48.5)	(46.0)
Profit (loss) for the year	0.6	0.4	(37.1)	(32.2)	3.0	16.0

The Group recognised share of loss from investment in one joint venture until the value of the investment approached zero. Subsequent loss incurred by this joint venture has not been recognised in the Group's accounts since the Group has no obligations, whether legal or constructive, to make any payments on behalf of this joint venture. The amount of such unrecognised share of losses for the year amounting to Baht 10 million (2023: None).



12. Investments in associates

12.1 Details of associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements			
			Shareholding percentage		Carrying amounts based on equity method	
			2024	2023	2024	2023
			(%)	(%)		
Colasie Co., Ltd.	Holding company	France	40	40	566,814	563,958
PT Sarana Distribusi Aspal Nusantara (Owned by ABS)	Barge rental service	Indonesia	49	49	-	262
Total investments in associates					566,814	564,220

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements					
			Shareholding percentage		Carrying amounts based on cost method			
			2024	2023	Cost	Cost		
			(%)	(%)	2024	2023	2024	2023
Colasie Co., Ltd.	Holding company	France	40	40	18,404	18,404	18,404	18,404
Total investments in associates					18,404	18,404	18,404	18,404

12.2 Share of comprehensive income and dividend received

The Group recognised its share of profit/loss from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Share of profit (loss) from investments in associates during the year		Dividend received during the year by the Company	
	2024	2023	2024	2023
Colasie Co., Ltd.	127,361	122,971	72,685	65,873
PT Sarana Distribusi Aspal Nusantara	(349)	(589)	-	-
Total	127,012	122,382	72,685	65,873



12.3 Summarised financial information about material associates

Financial information of Colasie Co., Ltd.

Financial information of Colasie Co., Ltd. as at 31 December 2024 and 2023 and for the years then ended are summarised below.

	(Unit: Million Euro)	
	<u>2024</u>	<u>2023</u>
Paid-up capital	1.04	1.04
Total assets	1.63	1.70
Total liabilities	0.31	0.01
Total revenues	4.73	4.77
Profit for the year	4.67	4.71

13. Investment properties

(Unit: Thousand Baht)

	Consolidated financial statements		
	The Company's		
	land, buildings and equipment located at Petchburi plant	Land of Thai Bitumen	Total
As at 31 December 2024:			
Cost	267,472	383,608	651,080
Less: Accumulated depreciation	(137,804)	-	(137,804)
Less: Allowance for diminution in value	(86,868)	(234,912)	(321,780)
Net book value	<u>42,800</u>	<u>148,696</u>	<u>191,496</u>
As at 31 December 2023:			
Cost	267,472	383,608	651,080
Less: Accumulated depreciation	(137,804)	-	(137,804)
Less: Allowance for diminution in value	(86,868)	(237,375)	(324,243)
Net book value	<u>42,800</u>	<u>146,233</u>	<u>189,033</u>



(Unit: Thousand Baht)

	Separate financial statements		
	The Company's land, buildings and equipment located at Petchburi plant	The Company's land for rent located at Suratthani province	Total
	As at 31 December 2024:		
Cost	267,472	61,438	328,910
Less: Accumulated depreciation	(137,804)	(9,896)	(147,700)
Less: Allowance for diminution in value	(86,868)	-	(86,868)
Net book value	42,800	51,542	94,342
As at 31 December 2023:			
Cost	267,472	61,438	328,910
Less: Accumulated depreciation	(137,804)	(9,896)	(147,700)
Less: Allowance for diminution in value	(86,868)	-	(86,868)
Net book value	42,800	51,542	94,342

A reconciliation of the net book value of investment properties for 2024 and 2023 is presented below.

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Net book value at beginning of year	189,033	189,033	94,342	94,342
Reversal impairment loss	2,463	-	-	-
Net book value at end of year	191,496	189,033	94,342	94,342

The fair values of the investment properties were appraised by an independent professional valuer using the Sales Comparison Approach, which measured at fair value in level 2.

The fair values of the investment properties as at 31 December 2024 and 2023 are stated below:

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
The Company's land for rent located at Suratthani province	-	-	242,000	218,000
The Company's land, buildings and equipment located at Petchburi plant	42,800	42,800	42,800	42,800
Land of Thai Bitumen	148,696	146,233	-	-



14. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements

	Buildings, building improvements and complements					Machinery, tools and equipment		Furniture, office equipment and vehicles		Vessels		Construction in progress and equipment under installation		Total
	Land and land improvement													
Cost														
As at 1 January 2023	656,066	1,031,278	9,548,876	1,382,334	3,874,144	289,853	16,782,551							
Additions	3,197	20,584	65,650	15,113	100,639	195,066	400,249							
Disposals/written-off	(3,974)	(657)	(74,648)	(84,482)	(82,962)	-	(246,723)							
Transfer in (transfer out)	3,431	5,679	148,970	11,618	-	(169,698)	-							
Translation adjustment	32,712	(35,634)	(652,390)	(225,047)	(1,778)	(24,104)	(906,241)							
As at 31 December 2023	691,432	1,021,250	9,036,458	1,099,536	3,890,043	291,117	16,029,836							
Additions	1,666	10,578	107,337	20,181	39,473	401,625	580,860							
Disposals/written-off	-	(4,229)	(46,777)	(34,803)	(36,905)	(35)	(122,749)							
Transfer in (transfer out)	-	2,898	290,547	17,999	26,637	(338,081)	-							
Translation adjustment	(205)	(14,048)	(70,775)	(12,565)	(15,499)	(1,272)	(114,364)							
As at 31 December 2024	692,893	1,016,449	9,316,790	1,090,348	3,903,749	353,354	16,373,583							



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(Unit: Thousand Baht)

Consolidated financial statements

	Land and land improvement	Buildings, building improvements and complements	Machinery, tools and equipment	Furniture, office equipment and vehicles	Vessels	Construction in progress and equipment under installation	Total
Accumulated depreciation							
As at 1 January 2023	351,222	590,576	5,645,470	1,008,097	1,400,313	-	8,995,678
Depreciation for the year	11,352	33,203	509,115	106,524	212,580	-	872,774
Accumulated depreciation on disposals/written-off	(3,974)	(561)	(55,993)	(76,886)	(78,962)	-	(216,376)
Translation adjustment	(27,517)	(25,782)	(529,730)	(222,754)	(15,468)	-	(821,251)
As at 31 December 2023	331,083	597,436	5,568,862	814,981	1,518,463	-	8,830,825
Depreciation for the year	11,430	33,482	481,292	67,269	225,361	-	818,834
Accumulated depreciation on disposals/written-off and adjustment	-	(3,928)	(36,780)	4,553	(32,119)	-	(68,274)
Translation adjustment	(38)	(9,220)	(48,693)	(10,456)	(5,440)	-	(73,847)
As at 31 December 2024	342,475	617,770	5,964,681	876,347	1,706,265	-	9,507,538



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(Unit: Thousand Baht)

Consolidated financial statements

	Land and land improvement	Buildings, improvements and complements	Machinery, tools and equipment	Furniture, office equipment and vehicles	Vessels	Construction in progress and equipment under installation	Total
Allowance for impairment loss							
As at 1 January 2023	1,183	-	-	-	195,031	3,823	200,037
Decrease during the year	-	-	-	-	-	(625)	(625)
Translation adjustment	-	-	-	-	(1,672)	-	(1,672)
As at 31 December 2023	1,183	-	-	-	193,359	3,198	197,740
Decrease during the year	-	-	-	-	-	(212)	(212)
Translation adjustment	-	-	-	-	(1,161)	-	(1,161)
As at 31 December 2024	1,183	-	-	-	192,198	2,986	196,367
Net book value							
As at 31 December 2023	359,166	423,814	3,467,596	284,555	2,178,221	287,919	7,001,271
As at 31 December 2024	349,235	398,679	3,352,109	214,001	2,005,286	350,368	6,669,678
Depreciation for the year							
2023 (Baht 774 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)							872,774
2024 (Baht 749 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)							818,834



(Unit: Thousand Baht)

Separate financial statements

	Buildings,				Furniture, office		Construction		Total
	Land and land improvement	building improvements and complements	Machinery, tools and equipment	vehicles	in progress	and equipment under installation			
Cost									
As at 1 January 2023	515,046	387,155	734,318	536,330	12,362		2,185,211		
Additions	3,171	11,850	11,399	2,039	15,140		43,599		
Disposals/written-off	(3,974)	(386)	(13,908)	(33,948)	-		(52,216)		
Transfer in (transfer out)	3,431	5,207	870	-	(9,508)		-		
As at 31 December 2023	517,674	403,826	732,679	504,421	17,994		2,176,594		
Additions	291	1,619	20,921	12,690	12,321		47,842		
Disposals/written-off	-	(810)	(11,840)	(19,499)	(35)		(32,184)		
Transfer in (transfer out)	-	-	14,772	-	(14,772)		-		
As at 31 December 2024	517,965	404,635	756,532	497,612	15,508		2,192,252		
Accumulated depreciation									
As at 1 January 2023	263,004	226,296	555,294	389,645	-		1,434,239		
Depreciation for the year	4,731	11,686	39,811	39,186	-		95,414		
Accumulated depreciation on disposal/written-off	(3,974)	(289)	(13,627)	(33,911)	-		(51,801)		
As at 31 December 2023	263,761	237,693	581,478	394,920	-		1,477,852		
Depreciation for the year	4,795	12,198	38,448	13,250	-		68,691		
Accumulated depreciation on disposal/written-off and adjustment	-	(697)	(11,832)	13,893	-		1,364		
As at 31 December 2024	268,556	249,194	608,094	422,063	-		1,547,907		



(Unit: Thousand Baht)

Separate financial statements

	Land and land improvement	Buildings, building improvements and complements	Machinery, tools and equipment	Furniture, office equipment and vehicles	Construction in progress and equipment under installation	Total
Allowance for impairment loss						
As at 1 January 2023	1,183	-	-	-	3,823	5,006
Decrease during the year	-	-	-	-	(625)	(625)
As at 31 December 2023	1,183	-	-	-	3,198	4,381
Decrease during the year	-	-	-	-	(212)	(212)
As at 31 December 2024	1,183	-	-	-	2,986	4,169
Net book value						
As at 31 December 2023	252,730	166,133	151,201	109,501	14,796	694,361
As at 31 December 2024	248,226	155,441	148,438	75,549	12,522	640,176
Depreciation for the year						
2023 (Baht 78 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)						95,414
2024 (Baht 52 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)						68,691

As at 31 December 2024, certain items of plant and equipment items had been fully depreciated but were still in use. The original cost of those assets amounted to approximately Baht 4,214 million (2023: Baht 3,812 million) (The Company only: Baht 1,479 million (2023: Baht 1,252 million)).



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15. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements					Separate financial statements		
	Computer software	Customer relationship	Non-competition clause	Backlog	Computer software under installation	Computer software	Computer under installation	Total
As at 31 December 2024:								
Cost	221,649	224,112	11,724	129,386	1,418	588,289	-	173,917
Less: Accumulated amortisation	(201,142)	(143,013)	(10,725)	(129,386)	-	(484,266)	-	(160,717)
Translation adjustments	2,072	-	(999)	-	-	1,073	-	-
Net book value	22,579	81,099	-	-	1,418	105,096	-	13,200
As at 31 December 2023:								
Cost	215,343	224,112	11,724	129,386	2,734	583,299	2,734	172,313
Less: Accumulated amortisation	(192,940)	(125,651)	(10,725)	(127,666)	-	(456,982)	-	(153,644)
Translation adjustments	2,096	-	(999)	-	-	1,097	-	-
Net book value	24,499	98,461	-	1,720	2,734	127,414	2,734	18,669



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A reconciliation of the net book value of intangible assets for the years 2024 and 2023 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Net book value at beginning of year	127,414	191,106	18,669	19,714
Acquisition of computer software	6,507	6,741	1,604	5,539
Amortisation	(28,573)	(70,387)	(7,073)	(6,584)
Disposal	(228)	(45)	-	-
Translation adjustments	(24)	(1)	-	-
Net book value at end of year	<u>105,096</u>	<u>127,414</u>	<u>13,200</u>	<u>18,669</u>

16. Short-term loans from financial institutions

	(Unit: Thousand Baht)					
	Interest rates		Consolidated		Separate	
	(% per annum)		financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Loans in Thai Baht	2.28 - 3.60	2.47 - 7.05	2,823,160	2,068,810	2,716,147	1,731,696
Loans in Indonesia Rupiah	8.50 - 10.06	8.50 - 10.10	112,005	95,748	-	-
Total			<u>2,935,165</u>	<u>2,164,558</u>	<u>2,716,147</u>	<u>1,731,696</u>

17. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Trade payables - related parties (Note 6)	106,481	158,178	1,615,233	2,095,955
Trade payables - unrelated parties	1,771,468	1,567,456	1,455,051	925,049
Unbilled payables - related parties (Note 6)	174,805	150,508	-	-
Retention payables - unrelated parties	92,756	140,034	2,618	4,838
Accounts payable from commodity forward contracts	-	24,046	-	24,046
Other payables - related parties (Note 6)	93,819	108,601	54,251	65,476
Other payables and accrued expenses - unrelated parties	624,472	699,281	183,361	181,127
Total trade and other payables	<u>2,863,801</u>	<u>2,848,104</u>	<u>3,310,514</u>	<u>3,296,491</u>



18. Credit facilities

The credit facilities of the Group granted by financial institutions are secured by the following collaterals:

- The guarantees of the Company, its subsidiaries
- The prohibition from creating lien over assets of the Group
- Financial support letters provided by the Group to banks
- The Company allows its subsidiaries to use its facilities obtained from banks, with the Company responsible to the banks for the amounts drawn down by the subsidiaries
- The Group allows business partners to use its facilities to issue bank guarantees, with the Group being responsible to the banks for the amounts drawn down

19. Leases

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 50 years.

a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2024 and 2023 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land and buildings	Machinery and equipment	Office equipment	Motor vehicles	Total
1 January 2023	512,574	159,004	6,621	61,357	739,556
Additions	54,466	63,764	-	29,672	147,902
Depreciation	(61,865)	(30,814)	(1,805)	(26,545)	(121,029)
Written-off	-	(6,338)	-	(547)	(6,885)
Translation adjustments	(5,894)	77	-	-	(5,817)
31 December 2023	499,281	185,693	4,816	63,937	753,727
Additions	7,927	1,999	-	6,612	16,538
Lease modification	-	(3,518)	-	-	(3,518)
Depreciation	(67,730)	(29,532)	(1,344)	(21,489)	(120,095)
Disposals/written-off	-	(10,520)	-	(2,289)	(12,809)
Translation adjustments	(6,212)	318	-	-	(5,894)
31 December 2024	433,266	144,440	3,472	46,771	627,949



(Unit: Thousand Baht)

	Separate financial statements			
	Land and buildings	Office equipment	Motor vehicles	Total
1 January 2023	50,661	6,159	32,932	89,752
Additions	11,171	-	21,092	32,263
Depreciation	(10,429)	(1,344)	(14,156)	(25,929)
31 December 2023	51,403	4,815	39,868	96,086
Additions	-	-	2,000	2,000
Depreciation	(12,912)	(1,344)	(12,984)	(27,240)
Disposals	-	-	(2,289)	(2,289)
31 December 2024	38,491	3,471	26,595	68,557

b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Lease payments	380,654	523,145	74,653	103,102
Less: Deferred interest expenses	(61,420)	(80,594)	(3,230)	(5,333)
Total	319,234	442,551	71,423	97,769
Less: Portion due within one year	(100,121)	(114,425)	(23,808)	(28,190)
Lease liabilities - net of current portion	219,113	328,126	47,615	69,579

A maturity analysis of lease payments is disclosed in Note 31.2 to the financial statements under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Depreciation expense of right-of-use assets	120,095	121,029	27,240	25,929
Interest expense on lease liabilities	18,959	20,666	2,207	2,548
Expense relating to short-term leases	3,176	4,473	2,014	311
Expense relating to leases of low-value assets	7,321	9,262	3,200	4,388



d) Others

The Group has total cash outflows for leases for the year ended 31 December 2024 of Baht 100 million (2023: Baht 158 million) (the Company only: Baht 29 million, 2023: Baht 33 million), including the cash outflow related to short-term lease and leases of low-value assets.

20. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement and long service award, are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Provision for long-term employee benefits				
at beginning of year	239,471	246,786	131,028	135,104
Included in profit or loss:				
Defined benefit plans				
Current service cost	19,179	22,420	9,296	11,667
Past service cost	(8,719)	-	(5,882)	-
Interest cost	7,471	7,621	3,448	3,748
Long service award	19,089	1,643	8,594	629
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Financial assumptions changes	9,416	(20)	4,911	-
Experience adjustments	11,395	(754)	5,324	-
Benefits paid during the year	(14,734)	(38,206)	(3,866)	(20,120)
Translation adjustments	(1,599)	(19)	-	-
Provision for long-term employee benefits				
at end of year	<u>280,969</u>	<u>239,471</u>	<u>152,853</u>	<u>131,028</u>

The Group expects to pay Baht 88 million of long-term employee benefits during the next year (2023: Baht 72 million) (the Company only: Baht 51 million, 2023: Baht 43 million).

As at 31 December 2024, the weighted average duration of the liabilities for long-term employee benefit was between 7- 20 years (2023: 6 - 13 years) (the Company only: 7 years, 2023: 6 years).



Key actuarial assumptions used for the valuation are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	2.5 - 7.0	2.9 - 7.0	2.5	2.9
Future salary increase rate	3.0 - 7.0	4.0 - 7.0	3.0 - 4.0	4.0
Staff turnover rate (depending on age of employee)	0.0 - 25.0	0.0 - 25.0	0.0 - 15.0	0.0 - 15.0

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2024 and 2023 are summarised below:

(Unit: Million Baht)

	As at 31 December 2024			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(17)	20	(9)	11
Salary increase rate	17	(15)	9	(8)

(Unit: Million Baht)

	As at 31 December 2023			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(12)	14	(6)	7
Salary increase rate	12	(11)	6	(5)



21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

22. Other income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Dividend income from subsidiaries (Note 10)	-	-	742,112	195,075
Dividend income from an associate (Note 12)	-	-	72,685	65,873
Gain on exchange rate	50,719	86,237	50,868	67,580
Management fee income	38,850	33,998	56,523	59,802
Reversal of provision	47,311	-	-	-
Others	119,698	125,810	71,579	67,854
Total	256,578	246,045	993,767	456,184

23. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Salary, wages and other employee benefits	1,422	1,448	488	504
Depreciation, amortisation and maintenance expenses	994	1,077	138	158
Costs related to production of goods and services (excluding of staff cost, depreciation, amortisation and maintenance expenses)	23,314	25,439	20,148	20,475



24. Income tax

Income tax expenses for the years ended 31 December 2024 and 2023 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Current income tax:				
Current income tax charge	(505,953)	(728,355)	(329,140)	(449,221)
Adjustment in respect of income tax of previous year	(260)	1,290	(857)	2,466
Deferred tax:				
Relating to origination and reversal of temporary differences	95,248	143,862	29,088	5,995
Income tax reported in the profit or loss	<u>(410,965)</u>	<u>(583,203)</u>	<u>(300,909)</u>	<u>(440,760)</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2024 and 2023 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Deferred tax on actuarial gains and losses	4,121	(170)	2,047	-
Deferred tax on change in fair value of hedging instruments of cash flow hedges	10,853	18,993	10,853	18,993
Income tax reported in other comprehensive income	<u>14,974</u>	<u>18,823</u>	<u>12,900</u>	<u>18,993</u>



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Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2024 and 2023 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Accounting profit before tax	1,865,140	2,908,674	2,284,422	2,312,255
Income tax at Thai corporate income tax rate of 20%	(373,028)	(581,735)	(456,884)	(462,451)
Adjustment in respect of income tax of previous year	(260)	1,290	(857)	2,466
Utilisation of previously unrecognised tax losses and capital allowance	192	1,174	-	-
Unused tax loss and unutilised investment tax allowances of current year which has not recognised as deferred tax assets	(94,783)	(58,375)	-	-
Difference of tax rates in group companies	17,377	13,997	-	-
Adjustment of previous deferred tax assets/liabilities	(4,352)	41	(4,357)	-
Effects of:				
Non-taxable income/expenses	(44,708)	(48,708)	(2,513)	(38,026)
Additional expenses deductions allowed	6,896	1,018	114	461
Exemption of income	10,930	11,358	162,959	52,190
Promotional privileges (Note 25)	-	1,442	-	-
Tax privilege (Note 26)	46,046	50,674	629	4,600
Share of profit from investment in joint ventures and associates	15,481	15,522	-	-
Others	9,244	9,099	-	-
Total	43,889	40,405	161,189	19,225
Income tax expenses reported in profit or loss	(410,965)	(583,203)	(300,909)	(440,760)

The tax rates enacted at the end of the reporting period of the Group are 0% to 25% (2023: 0% to 25%).



The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Deferred tax assets				
Allowance for doubtful accounts	171,781	118,956	62,513	48,963
Reduction of cost of inventories to net realisable value	8,331	11,728	4,237	5,952
Fair value of forward exchange contracts	1,068	1,320	1,068	1,291
Fair value of commodity forward contracts	7,473	2,742	7,473	2,742
Allowance for asset impairment	65,200	65,735	18,211	18,253
Provision for long-term employee benefits	57,560	51,929	30,570	26,206
Effect on elimination of intercompany transactions	1,271	6,258	-	-
Unutilised tax loss and capital allowance	13,657	9,838	-	4,433
Lease liabilities	39,093	47,861	14,005	18,470
Others	7,509	8,468	-	-
Total	372,943	324,835	138,077	126,310
Deferred tax liabilities				
Difference depreciation for tax purpose	(205,780)	(222,454)	(23,273)	(29,803)
Fair value of forward exchange contracts	(1,566)	(4,546)	(1,563)	(4,546)
Fair value of commodity forward contracts	(3,887)	(20,104)	(3,887)	(20,104)
Share of profit from investment in an associate	(71,347)	(65,466)	-	-
Fair value adjustment of assets from business combination	(43,546)	(66,432)	-	-
Lease liabilities	(36,369)	(45,607)	(13,353)	(17,844)
Total	(362,495)	(424,609)	(42,076)	(72,297)

Presented as follows:

Deferred tax assets	231,728	153,079	96,001	54,013
Deferred tax liabilities	221,280	252,853	-	-

As at 31 December 2024 and 2023, the subsidiaries had deductible temporary differences on capital allowance and unused tax losses on which deferred tax assets have not been recognised as these subsidiaries believed that future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses, as follows:

	<u>2024</u>	<u>2023</u>
	(Million)	(Million)
Malaysian Ringgit	215	219



Effect from international tax reform - Pillar Two model rules

The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). Accordingly, the Group has applied the mandatory exception requiring that entities shall neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group operates in Vietnam where Pillar Two legislation has been enacted and is effective for fiscal years beginning on or after 1 January 2024. However, no current tax expense related to Pillar Two income taxes was recognised in 2024 because the Group benefits from the "Transitional Safe Harbour" relief under the Pillar Two legislation.

In addition, the Group operates in various countries where Pillar Two legislation has been enacted and will be effective for fiscal years beginning on or after 1 January 2025. The management of the Group is currently in the process of assessing the potential exposure to Pillar Two income taxes in the financial statements.

25. Promotional privileges

Bitumen Marine Company Limited was granted investment promotional privileges by the Board of Investment for mass transit systems and transportation of bulk goods. Important tax privileges is exemption of corporate income tax not exceeding of the stipulated amount for 8 years commencing from 29 October 2015 onwards. During 2023, this promotion certificate was expired.

26. Tax privileges

Tax privileges for maritime commerce

The subsidiaries in Thailand which are engaged in marine transportation business, are entitled to withholding income tax privileges under the Revenue Department Instruction No. Por 110/2545 since they are international marine transportation business operators, whereby income from vessel rental is subject to withholding tax at a rate of 1%. Moreover, the subsidiaries are exempted from corporate income tax on their income from international marine transportation under Announcement of the Director-General of the Revenue Department No. 72.



Tax privilege for an International Business Center (“IBC”)

The Company was granted approval from the Revenue Department to be an International Business Center, providing managerial or technical services, supporting services or to be an international trading center. Under this tax privilege, the corporate income tax rate of IBC activity is reduced for 15 accounting periods, from 1 June 2019 to 31 December 2033.

Tax privilege from the stipulated investment

Kemaman Bitumen Company Sdn Bhd was granted tax privilege for a corporate income tax reduction from the stipulated investment amount.

27. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings per share:

Consolidated financial statements						
Profit for the year		Weighted average number		Earnings per share		
		of ordinary shares				
<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
1,417,148	2,305,518	1,578,362	1,578,362	0.90	1.46	

Separate financial statements						
Profit for the year		Weighted average number		Earnings per share		
		of ordinary shares				
<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
1,983,513	1,871,495	1,578,362	1,578,362	1.26	1.19	



28. Segment information

The Group considers to organise into business groups based on types of products and services. The major segments of the Group are as follows:

Manufacturing and trading

The Group conducts manufacturing and trading of asphalt, petroleum oil products and asphalt concrete in both domestic and overseas markets. Whereas, the marine logistic business complements the manufacturing and trading of asphalt and petroleum oil products.

Construction business

The Group conducts construction service related to highway construction and road rehabilitation in Thailand.

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 monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.



Revenue and profit information regarding the Group's operating segments for the years ended 31 December 2024 and 2023 are as follows:

(Unit: Million Baht)

	For the year ended 31 December							
	Manufacturing and trading segment		Construction segment		Eliminated transactions		Consolidated financial statements	
	2024	2023	2024	2023	2024	2023	2024	2023
Revenues from external customers	25,797	27,605	2,167	3,501	-	-	27,964	31,106
Inter-segment revenues	212	599	-	-	(212)	(599)	-	-
Total revenues	26,009	28,204	2,167	3,501	(212)	(599)	27,964	31,106
Segment profit	3,090	3,976	46	162	-	-	3,136	4,138
Unallocated income and expenses							(1,271)	(1,229)
Profit before income tax							1,865	2,909

Non-current assets (other than deferred tax assets)

(Unit: Million Baht)

	Geographic segment located in Thailand		Geographic segment located in overseas		Total	
	2024	2023	2024	2023	2024	2023
Non-current assets	3,347	3,518	5,285	5,613	8,632	9,131

Transfer prices between the segments are as set out in Note 6 to the financial statements.



Revenue from external customers based on locations of the customers is as follows:

	(Unit: Million Baht)	
	<u>2024</u>	<u>2023</u>
Thailand	14,774	15,063
Overseas	13,190	16,043
Total	<u>27,964</u>	<u>31,106</u>

29. Dividend

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Final dividends for 2022	Annual General Meeting of the shareholders on 5 April 2023	1,578.3	1.00
Interim dividends for 2023	Board of Directors' Meeting on 10 August 2023	394.6	0.25
Total for 2023		<u>1,972.9</u>	<u>1.25</u>
Final dividends for 2023	Annual General Meeting of the shareholders on 4 April 2024	1,578.3	1.00
Total for 2024		<u>1,578.3</u>	<u>1.00</u>

30. Commitments and contingent liabilities

30.1 Capital commitment

As at 31 December 2024 and 2023, the Group had outstanding capital commitments relating to the purchase of machinery, equipment, vessel, computer software and construction of building, as follows:

Foreign currency	Consolidated financial statements		Separate financial statements	
	<u>2024</u> (Million)	<u>2023</u> (Million)	<u>2024</u> (Million)	<u>2023</u> (Million)
Baht	19	18	13	15
Malaysian Ringgit	8	3	-	-
Japanese Yen	2,622	-	-	-
Vietnam Dong	21,196	30,501	-	-



30.2 Long-term service commitments

The Group has entered into service agreements. The terms of the agreements are generally between 1 and 5 years.

Future minimum service fees payable under these agreements as at 31 December 2024 and 2023 are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Within 1 year	35	48	23	36
Over 1 and up to 5 years	9	19	7	15
Total	<u>44</u>	<u>67</u>	<u>30</u>	<u>51</u>

30.3 Long-term service agreement

The Group entered into service agreements with a related company related to management and marketing services, technical assistance in the manufacture of premium grade asphalt and construction project management. Those agreements have terms 2 - 5 years for which the Group is to pay fees at the rates stipulated in the agreements. The Group has fees for 2024 and 2023 amounting to approximately Baht 31 million and Baht 47 million, respectively (the Company only: Baht 23 million and Baht 31 million, respectively).

30.4 Project construction cost commitments

As at 31 December 2024, the Group had commitments related to agreements of project construction costs of Baht 2,582 million (2023: 1,215 million). The Group will make payment of these commitments upon delivery of the relevant goods or services.

30.5 Guarantees

As at 31 December 2024, there were outstanding bank guarantees in respect of advance received, contractual performance and certain performance bonds as required in the normal course of business issued by the banks on behalf of business partners amounting to Baht 1,028 million (2023: 493 million) (the Company only: Baht 426 million (2023: 281 million)) and on behalf of the Group which are summarised below.

Foreign currency	Consolidated financial statements		Separate financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	(Million)	(Million)	(Million)	(Million)
Baht	2,239	1,698	2	2
Malaysian Ringgit	6	8	-	-



31. Financial instruments

31.1 Derivatives and hedge accounting

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Derivative assets				
<i>Not designated as hedging instruments</i>				
Forward exchange contracts	8,200	22,822	7,816	22,729
Commodity forward contracts	2,879	38,738	2,879	38,738
<i>Designated as hedging instruments</i>				
Commodity forward contracts	16,557	61,783	16,557	61,783
Total derivative assets	27,636	123,343	27,252	123,250
Derivative liabilities				
<i>Not designated as hedging instruments</i>				
Forward exchange contracts	5,341	6,604	5,341	6,453
Commodity forward contracts	25,238	13,594	25,238	13,594
<i>Designated as hedging instruments</i>				
Forward exchange contracts	48,428	-	-	-
Commodity forward contracts	12,125	116	12,125	116
Total derivative liabilities	91,132	20,314	42,704	20,163
Presented in derivative - forward contracts account as follows:				
Current assets	27,636	123,343	27,252	123,250
Non-current assets	-	-	-	-
Current liabilities	77,744	20,314	40,812	20,163
Non-current liabilities	13,388	-	1,892	-

All derivatives are measured at fair value in level 2.



Derivatives not designated as hedging instruments

The Group enters into forward exchange contracts and commodity forward contracts to manage risk against fluctuations in foreign exchange rates and commodity prices, respectively. The contracts are entered into for the periods consistent with the underlying transactions, generally from one to twelve months.

Derivatives designated as hedging instruments

Cash flow hedges

Foreign currency risk

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecast purchases in Japanese Yen. These forecast transactions are highly probable, and they comprise majority of its total expected purchases in Japanese Yen. The foreign exchange forward contract balances vary with the level of expected foreign currency purchases and changes in foreign exchange forward rates.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange forward contracts match those of the expected highly probable forecast transactions i.e., notional amount and expected payment date.

Commodity price risk

The Group sells petroleum products produced from refining of crude oil and bitumen derived from crude oil distillation. The Group enters into commodity forward contracts to hedge against risks of petroleum price volatility in products expected to be sold in the future under risk management strategies established by the Group's Commodity Hedging Committee.

There is an economic relationship between the hedging instruments and the hedged items as the significant terms of the commodity forward contracts, i.e. notional amount and expected payment date, match those of the forecast sales (the expected highly probable forecast transactions). The Group has established a hedge ratio of 0.85:1 for the hedging relationships.



Hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- Different indexes to the hedged risk of the hedged items and hedging instruments
- Changes to the forecasted amount of cash flows of hedged items or hedging instruments

Details of derivatives, which up to 2 years maturity, hold as hedging instruments as at 31 December 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Foreign exchange forward contracts for highly probable forecast purchases		
Average forward rate (Baht /Japanese Yen)	0.2430	-
Commodity forward contracts for highly probable forecast petroleum products sales		
Average hedged rate (USD/barrels)	90.2	101.4

The impact of hedged items on the statement of financial position as at 31 December 2024 and 2023 is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Change in fair value used					
	for measuring		Cash flow hedge reserve			
	ineffectiveness		- continuing hedges		Cost of hedging reserve	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Highly probable forecast purchases	48,428	-	41,418	-	7,010	-
Highly probable forecast petroleum products sales	(6,246)	(71,391)	(5,326)	(59,591)	-	-
Total	42,182	(71,391)	36,092	(59,591)	7,010	-



The impact of the hedging instruments on the statement of financial position as at 31 December 2024 and 2023 and the effect of the cash flow hedge in the statement of comprehensive income for the years ended 31 December 2024 and 2023, are as follows:

(Unit: Million Baht)

	Consolidated financial statements													
	Notional amounts		Carrying amount *		Changes in fair value used for measuring ineffectiveness		Effectiveness recognised in other comprehensive income		Ineffectiveness recognised in profit or loss **		Cost of hedging recognised in equity		Amount of cash flow hedge reserve reclassified to profit or loss ***	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Foreign exchange forward contracts - hedge the risk arising from highly probable forecast purchases	478	-	(48)	-	(48)	-	(41)	-	-	-	(7)	-	-	-
Commodity forward contracts - hedge the risk arising from highly probable forecast petroleum products sales	785	1,117	4	62	5	66	5	60	-	-	-	-	24	44
Total	1,263	1,117	(44)	62	(43)	66	(36)	60	-	-	(7)	-	24	44

* Presented in statement of financial position as derivative - forward contracts.

** Presented in profit or loss as gain from commodity forward contracts.

*** Presented in profit or loss as deducted from sales and service income.



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31.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, trade and other payables, loans to and loans from related parties and financial institutions. 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 accounts receivable, loans, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks.

Financial instruments and cash deposits

The credit risk on debt instruments and derivatives is limited because the Group have a policy to consider and approve credit limits assigned to each counterparty by the Group's Board of Directors. The counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are three types of market risk comprising currency risk, interest rate risk and commodity price risk. The Group enters into a variety of derivatives to manage its risk exposure, including:

- Forward exchange contracts to hedge the foreign currency risk arising on the import or export
- Commodity forward contracts to hedge the commodity price risk arising on sales of products



Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions and borrowings that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within two year.

As at 31 December 2024 and 2023, the balances of financial assets and liabilities of the Group denominated in foreign currencies were 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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	24	16	25	16	34.0	34.2
Euro	8	8	9	9	35.4	38.0
Japanese Yen	-	-	17	24	0.2	0.2
Ringgit	8	9	17	17	7.6	7.4

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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	51	59	33	33	34.0	34.2
Singapore Dollar	-	-	10	10	25.0	26.0
Euro	8	8	9	9	35.4	38.0
Ringgit	-	-	2	9	7.6	7.4

The Group manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 24-month period for hedges of forecasted sales and purchases.

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of the derivative to match the terms of the hedged exposure. For hedges of forecast transactions, the derivative covers the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.



The Group outstanding forward exchange contracts which maturity date within two years are summarised below.

As at 31 December 2024

Foreign currency	Consolidated		Separate		Contractual exchange rate	
	financial statements		financial statements		Sold	Bought
	Sold	Bought	Sold	Bought		
amount	amount	amount	amount	(Per 1 foreign currency unit)		
	(Million)	(Million)	(Million)	(Million)		
US Dollar	27	17	27	17	33.3 - 34.6 Baht	33.7 - 34.6 Baht
US Dollar	-	13	-	-	-	15,725 - 16,240 Indonesia Rupiah
Japanese Yen	-	1,967	-	-	-	0.2308 - 0.2473 Baht

As at 31 December 2023

Foreign currency	Consolidated		Separate		Contractual exchange rate	
	financial statements		financial statements		Sold	Bought
	Sold	Bought	Sold	Bought		
amount	amount	amount	amount	(Per 1 foreign currency unit)		
	(Million)	(Million)	(Million)	(Million)		
US Dollar	22	10	22	9	34.3 - 36.6 Baht	34.5 - 36.1 Baht
US Dollar	-	10	-	-	-	24,185 - 24,425 Vietnam Dong
US Dollar	-	10	-	-	-	15,438 - 15,813 Indonesia Rupiah

In addition, the Group exposes to foreign exchange risk on its investments in overseas subsidiaries, joint ventures and associates, loans to overseas subsidiaries and loan from financial institution. These investments and loans are currently not hedged by derivative financial instruments.



Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax and equity to a reasonably possible change in US Dollar and Japanese Yen exchange rate, with all other variables held constant. The impact on the Group's profit before tax and equity is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives as at 31 December 2024 and 2023. The Group's exposure to foreign currency changes for all other currencies is not material.

Currency	2024			2023		
	Increase/ decrease	Effect on profit before tax	Effect on equity	Increase/ Decrease	Effect on profit before tax	Effect on equity
		(Thousand Baht)	(Thousand Baht)		(Thousand Baht)	(Thousand Baht)
US Dollar	+1%	517	-	+1%	1,484	-
	-1%	(517)	-	-1%	(1,484)	-
Japanese Yen	+1%	(36)	4,294	+1%	(59)	-
	-1%	36	(4,294)	-1%	59	-

Interest rate risk

The Group exposure to interest rate risk relates primarily to its cash at banks, loans to and loans from related parties and financial institutions. However, since most of the Group's financial assets and liabilities bear fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on loans from financial institutions affected as at 31 December 2024 and 2023.

	2024		2023	
	Increase/ decrease	Effect on profit before tax	Increase/ decrease	Effect on profit before tax
		(Thousand Baht)		(Thousand Baht)
Interest rate	+1%	(1,120)	+1%	(957)
	-1%	1,120	-1%	957



Commodity price risk

The Group is exposed to risk from fluctuations in the price of raw materials and finished goods. To manage these risks, the Group has entered into commodity forward contracts to hedge the risk from fluctuation in such prices.

The Group's Commodity Hedging Committee has developed and enacted a risk management strategy for commodity price risk and its mitigation. Based on a 12-month forecast sales, the Group hedges the selling price using commodity forward contracts. The forward contracts do not result in physical delivery of commodity products, but hedge the risk from fluctuation in commodity prices to offset the effect of price changes in commodity.

Forward contracts with a physical delivery that qualify for normal purchase, sale or usage are therefore not recognised as derivatives.

Commodity price sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax and equity to a reasonably possible change in commodity price, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of commodity forward contracts are as follows:

	2024			2023		
	Increase/ decrease	Effect on profit before tax	Effect on equity	Increase/ decrease	Effect on profit before tax	Effect on equity
		(Thousand Baht)	(Thousand Baht)		(Thousand Baht)	(Thousand Baht)
Petroleum price	+1%	(11,112)	(7,808)	+1%	(3,140)	(9,747)
	-1%	11,112	7,808	-1%	3,140	9,747

Liquidity risk

The Group implements liquidity risk management procedures through the use of loans from financial institutions and leases. The Group assesses the risk relating to its ability to repay as low since the Group has access to sufficient and varied sources of funding and ability to request an extension to the repayment period for debts due within 12 months.



The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2024 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Less than 1	1 to 5	Over	Total
	year	years	5 years	
Non-derivatives				
Short-term loans from financial institutions	2,968,526	-	-	2,968,526
Trade and other payables	2,863,801	-	-	2,863,801
Lease liabilities	114,882	165,620	100,152	380,654
Short-term loans from related parties	62,913	-	-	62,913
Total non-derivatives	6,010,122	165,620	100,152	6,275,894
Derivatives				
Derivative liabilities - Forward exchange contracts	42,273	11,496	-	53,769
Derivative liabilities - Commodity forward contracts	35,471	1,892	-	37,363
Total derivatives	77,744	13,388	-	91,132

(Unit: Thousand Baht)

	Separate financial statements			
	Less than	1 to 5	Over	Total
	1 year	years	5 years	
Non-derivatives				
Short-term loans from financial institutions	2,747,976	-	-	2,747,976
Trade and other payables	3,310,514	-	-	3,310,514
Lease liabilities	25,383	49,270	-	74,653
Short-term loans from related parties	111,625	-	-	111,625
Total non-derivatives	6,195,498	49,270	-	6,244,768
Derivatives				
Derivative liabilities - Forward exchange contracts	5,341	-	-	5,341
Derivative liabilities - Commodity forward contracts	35,471	1,892	-	37,363
Total derivatives	40,812	1,892	-	42,704



31.3 Fair value 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 value is not expected to be materially different from the amounts presented in statement of financial position. For derivatives, fair value is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.

32. Capital management

The primary objective of the capital management of the Group is to ensure that they have an appropriate financial structure and preserve the ability to continue their business as a going concern.

The Group manages its capital position with reference to financial ratio. As at 31 December 2024 and 2023, these financial ratios were as follows:

Financial Ratio	Consolidated financial statements		Separate financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Interest Bearing Short-term Debt-to-Equity Ratio	0.186 : 1	0.135 : 1	0.227 : 1	0.148 : 1

33. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised directors on 11 February 2025.





Back up attachment

Back up attachment

Attachment 1 : Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary, and the representative for contact and coordination in case of a foreign company

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0219/2024/1741137756244.pdf>



Attachment 2 : Details of the directors of subsidiaries

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0219/2024/1741051934710.pdf>



Attachment 3 : Details of the Heads of the Internal Audit and Compliance Units

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0219/2024/1741051934704.pdf>



Attachment 4 : Assets for business undertaking and details of asset appraisal

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0219/2024/1741051934697.pdf>



Attachment 5 : Unabridged policy and guidelines on corporate governance and unabridged code of business conduct prepared by the Company

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0219/2024/1741051934692.pdf>



Attachment 6 : Report of the Audit Committee

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0219/2024/1740534557638.pdf>

