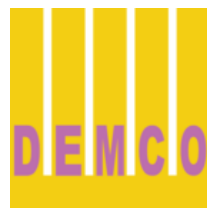




JUMP+ Plan



DEMCO PUBLIC COMPANY LIMITED

(DEMCO)

Year 2026 - 2028

This report was approved by the board of directors on 23/12/2025
and disseminated on 05/01/2026

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SET

Property & Construction / Construction Services

CG Report :

SET ESG Ratings: -

 Anti-Corruption Certification (CAC): **Yes**

Business Type

The Company operates in 5 core businesses; 1) design, construction and contract all kinds of electrical engineering works such as transmission line, substation, renewable energy power plant 2) design, construction mechanic and electrical system 3) energy conservation business 4) telecommunications 5) fabrication and distribution of steel structure for transmission Line, and billboard signs.

Financial Statement				
Year	2025	2024	2023	2022
Income Statement (MB)				
Revenues	2,206.61	3,212.23	2,300.73	2,137.45
Expenses	2,118.29	3,062.77	2,856.01	2,325.51
Net Profit	12.79	-62.66	-549.93	-127.84
Balance Sheet (MB)				
Assets	5,999.19	6,695.24	6,419.19	6,961.83
Liabilities	2,392.84	3,040.06	2,831.57	2,879.77
Shareholders' Equity	3,605.83	3,654.66	3,587.10	4,081.54
Cash Flow (MB)				
Operating	-7.30	-230.22	281.96	-293.14
Investing	174.91	142.68	210.96	103.22
Financing	-258.85	132.05	-473.18	185.53
Financial Ratio				
EPS (Baht)	0.02	-0.09	-0.75	-0.18
GP Margin (%)	15.34	11.74	7.65	4.65
NP Margin (%)	0.58	-1.95	-23.90	-5.98
D/E Ratio (Times)	0.66	0.83	0.79	0.71
ROE (%)	0.35	-1.73	-14.34	-3.03
ROA (%)	1.02	0.20	-8.03	-0.78

JUMP+ Plan

Business Plan

Target in 2028

Net Profit	กำไรสุทธิ 200 Million Baht		
Strategic Plan	Growth	Profitability & Efficiency	Stability
1. Strategic Plan : Growth+ : Lean+ : Opportunity+	✓	✓	✓

Governance Plan

1. Enhancing anti-corruption and fraud prevention efforts
2. Enhancing whistleblowing mechanisms
3. Strengthening emerging risk oversight practices

Climate Action Plan

1. Greenhouse gas inventory (GHG) plan
2. Decarbonization

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Section 1
Business Plan

Section 1 Business Plan

Target in 2028

Topic	YE/2022	YE/2023	YE/2024	Target in 2028
Net Profit (Million Baht)	-127.84	-549.93	-62.66	กำไรสุทธิ 200

Demco Public Company Limited aims to achieve sustainable operational growth by focusing on restoring performance to stable and sustainable profitability. This will be achieved by leveraging the company's core competencies in undertaking Electrical and Utilities Engineering (EPC) projects, where the company possesses expertise and can generate good gross profit margins. The focus will be on projects within the company's areas of strength and competitive advantage, while avoiding projects outside its scope of expertise or those with high risks. Furthermore, the company emphasizes stringent cost and expense management, encompassing operational cost control, efficient resource utilization, and the reduction of unnecessary Selling, General & Administrative (SG&A) expenses. This also includes enhancing operational efficiency and developing internal management systems to be transparent, agile, and in line with good corporate governance principles. By 2028, this will be achieved through efficient project management, cost reduction, increased resource efficiency, and the expansion of new revenue streams to generate stable returns for shareholders and strengthen the organization in the long term, utilizing the strategy.

S1 Increase Revenue: "Continuously increase revenue growth rate and expand new revenue streams to sustainably strengthen the organization."

S2 Reduce Expenses: "Increase resource efficiency to reduce operational costs."

S3 Create Opportunities: "Create and develop new business channels to support sustainable future growth."

Growth plan/Increase business value

Strategic Plan : Growth+ : Lean+ : Opportunity+

1. Growth+ "Continuously increase revenue growth and expand new income sources to strengthen the organization sustainably."

This strategy focuses on proactive growth (Growth Strategy) by both enhancing the potential of existing markets (Market Penetration) and developing new revenue streams through related businesses (Product/Service Development). The approach reduces reliance on any single income source, ensures long-term stability, and strengthens the organization's competitive capabilities.

2. Lean+ "Enhance resource utilization efficiency to lower operational costs."

This strategy emphasizes cost efficiency (Cost Efficiency Strategy) through digital technology adoption and internal process improvements to increase agility and eliminate redundancies. It targets controlling and reducing unnecessary selling and administrative expenses, while improving competitiveness. Key initiatives include reducing project, management, and direct production costs through efficient procurement (Value Engineering) and optimized logistics and energy management, thereby lowering unit costs and increasing business margins.

3. Opportunity+ "Develop and expand new business channels to support sustainable future growth."

This strategy is future-oriented (Future-oriented Strategy), seeking new business opportunities in both existing and emerging markets. Examples include entering the renewable energy sector, forming strategic partnerships, or investing in innovative solutions aligned with megatrends and government policies. The goal is to enable sustainable business expansion and adaptability in line with the organization's vision.

This plan will promote and develop the organization in the following dimensions

- Stability
- Growth
- Profitability & Efficiency

Targets

• **Corporate Financial Targets**

Topic	Latest data		Targets		
	YE/2024	YE/2025	2026	2027	2028
Net Profit Growth (%) YoY Growth Rate	88.61	120.41	10	10	10
Revenue Growth (%) YoY Growth Rate	39.62	-31.31	10	10	10

Strategic Initiative

Strategic Initiative	Year	Expected Outcomes
Drive sustainable revenue growth and diversify into new income streams.	2026	<ul style="list-style-type: none"> • Establish strategic partnerships to enhance technical capabilities and project management performance, while expanding competitiveness and increasing opportunities for new projects. • Expand opportunities to participate in bidding for power substation projects across both public and private sectors. • Conduct market study and research internally, complemented by hiring marketing experts.
	2027	<ul style="list-style-type: none"> • Maintain the company’s market share in existing businesses, while restructuring the organization to sustainably expand into the energy and utilities sector. • Entering and operating within the energy and utilities sector.
	2028	<ul style="list-style-type: none"> • A leading producer and supplier of clean energy, power systems, and utilities.
Maximize Resource Efficiency	2026	<ul style="list-style-type: none"> • Proactively manage SG&A expenses by eliminating non-value-added costs and enforcing strict financial discipline to enhance profit margins. • Streamline organizational structure to enhance agility and reduce hierarchical complexity for faster decision-making, while aligning workforce allocation with actual workload.
	2027	<ul style="list-style-type: none"> • Maximize the utilization of existing resources by focusing on Zero Waste processes to minimize loss at every stage and establish Cost Competitiveness.
	2028	<ul style="list-style-type: none"> • Cultivate a zero-waste culture that becomes the operating norm across the organization to maintain cost structure stability
Establish and develop new business channels.	2026	<ul style="list-style-type: none"> • Forge Strategic Partnerships to strengthen competitive advantage and drive technology and innovation sharing

Strategic Initiative	Year	Expected Outcomes
	2027	<ul style="list-style-type: none"> Develop Adjacency Businesses to capitalize on opportunities in Digital Infrastructure (Data Center, Green ICT). Launch Pilot Projects & Innovation Labs to invest in Smart Energy and Clean Tech initiatives. Establish a Smart Energy & Digital Solutions business and expand Energy-as-a-Service (EaaS) offerings to industrial clients."
	2028	<ul style="list-style-type: none"> Expand into New Energy Business by developing Solar Farms, Wind Farms, and EV Infrastructure

Risk Management

Risk 1 : Choosing partners that are inconsistent with the company strategic objectives.

- **Risk Characteristic**

(Strategic Risk) The selection of partners that are not aligned with the company strategy may result in limitations in expertise or conflicts of interest. In addition, the management of relationships and the allocation of shared benefits may involve high complexity.

- **Risk Impact**

Risk Impact

1. Strategic: The company may lose competitive opportunities if partners fail to strengthen its core competencies.
2. Operational: Joint venture projects may experience delays, decision-making conflicts, and increased management costs.
3. Financial: Joint investments may not yield adequate returns and could become a long-term financial burden.
4. Reputational: Partners with governance or image issues may negatively impact the company's credibility.
5. Relational: Ambiguities in the allocation of benefits and responsibilities may lead to disputes or litigation, affecting future collaboration.

- **Risk Management Measures**

1. Preventive Controls: Establish partner selection criteria aligned with the company's strategy, including a thorough review of qualifications, expertise, and track record.
2. Mitigation Controls: Develop clear partnership agreements outlining rights, responsibilities, and benefits, with systematic mechanisms for monitoring, evaluation, and dispute resolution.

Section 2

Governance Plan

Section 2 Governance Plan

Accountability and Transparency Governance

Enhancing anti-corruption and fraud prevention efforts

Demco Public Company Limited has developed an Anti-Corruption and Bribery Enhancement Plan. This plan establishes a proactive framework to foster good governance, transparency, and a culture of integrity throughout the organization, covering the Board of Directors, executives, employees, and all business partners, with the objective of preventing and mitigating risks from all forms of corruption.

The plan includes key measures, namely:

- Issuing written policies and business ethics.
- Systematic assessment and management of corruption risks.
- Organizing training to enhance awareness among personnel at all levels.
- Developing and improving whistleblowing channels to be secure, transparent, and efficient.

The implementation of the plan is subject to continuous oversight and evaluation mechanisms to enable the improvement and enhancement of measures in line with international principles and standards, as well as legal requirements. The objective is to build confidence among stakeholders and the public that the organization conducts business under principles of transparency, accountability, and a commitment to sustainable development towards becoming a model organization in anti-corruption.

Furthermore, the company plans to participate in the "CAC Change Agent Special Project" of the Thai Private Sector Collective Action Against Corruption (CAC) to expand its network of transparent businesses to its trading partners. This involves encouraging and supporting partners to join the CAC certification to elevate business operating standards, reduce reputational risks from engaging with non-transparent partners, and build confidence among partners in the company's ethical standards and business transparency. This will lead to concrete participation in reducing corruption problems within the overall economic system.

Targets

Topic	Current Status	Targets		
		2026	2027	2028
The company has established an anti-corruption policy and practices.	Complete	-	-	-
• An anti-corruption and anti-bribery policy has been developed to comprehensively cover the organization's business operations, formally approved by the Board of Directors, and supported by clear and practical implementation guidelines	Complete	-	-	-
• The company conducts regular monitoring and evaluation of compliance with its anti-corruption and anti-bribery policy and procedures. Audit results are reported by internal auditors to the Board of Directors at least annually. In the event of any violations, corrective actions and preventive measures are clearly defined to prevent recurrence	Complete	-	-	-

Topic	Current Status	Targets		
		2026	2027	2028
• The company conducts an annual review of its anti-corruption and anti-bribery policy and practices with the Board of Directors	Complete	-	-	-
Achieve CAC certification from the Thai Institute of Directors (Thai IOD)	Certified	-	-	-
Participate in the declaration of intent for the Special Project of the Thai Private Sector Collective Action Against Corruption (CAC Change Agent)	-	In Progress	In Progress	Success

Strategic Initiative

Strategic Initiative	Year	Expected Outcomes
Demco Public Company Limited has formally declared its commitment to participate in the special initiative “Thai Private Sector Collective Action Against Corruption (CAC) Change Agent.”	2026	• The Company has declared its commitment to participate in the CAC program and encourages its business partners, affiliates, and business alliances to declare their commitment to the CAC Certification Program.
	2027	• The Company encourages at least five business partners, affiliates, or business alliances per year to declare their commitment to the CAC Certification Program.
	2028	• The Company has been awarded the CAC Change Agent (Three-Star) certification, the highest recognition, demonstrating its commitment to expanding a transparent business network to reduce corruption.

Risk Management

Risk 1 : Corruption involving third parties and the supply chain

• Risk Characteristic

This risk arises from DEMCO's Engineering, Procurement, and Construction (EPC) business's heavy reliance on numerous partners, subcontractors, and external agents, particularly in government projects, which constitute a primary source of income. Key risks include bribery for facilitating permit applications, price collusion (bid rigging), or non-transparent actions by partners, which could directly lead to legal and reputational repercussions for the company.

• Risk Impact

- Reputation and Credibility: Involvement in a partner's non-transparent actions may damage the trust of investors, customers, and stakeholders.
- Legal Aspect: The company and its executives may be held legally liable, even if not directly involved in the wrongdoing, which could lead to fines and financial damages.
- Business Aspect: May lose opportunities to participate in future project bids, especially projects requiring high transparency, and affect long-term business relationships.

• Risk Management Measures

To proactively manage risks and foster a transparent business ecosystem, the company has enhanced its risk management measures as follows:

1. **Enforcement of Supplier Code of Conduct:** Establishing written anti-corruption policies and practices for partners, along with defining audit rights and integrating them as part of procurement contracts.
2. **Expanding the Transparent Business Network through the CAC Change Agent Project:** The company has joined the “CAC Change Agent Special Project,” a significant proactive measure aimed at
 - **Year 2026:** Inviting at least 5 partner companies to join the declaration of intent with CAC.
 - **Year 2027:** promoting and supporting at least 5 SME partner companies to obtain CAC certification (CAC SME Certification). This measure not only reduces the risk of engaging with non-transparent partners but also sustainably elevates governance standards throughout the supply chain.

Risk 2 : Ineffective Internal Controls and Whistleblowing

• Risk Characteristic

This risk arises from vulnerabilities in internal control processes that may facilitate conflicts of interest, embezzlement of assets, or other misconduct by employees or management. It also includes the lack of confidence among employees and stakeholders in whistleblowing channels, which deters them from reporting observed misconduct, consequently leading to problems not being detected and rectified in a timely manner.

• Risk Impact

- **Financial aspects:** Direct damage to company assets, cost leakage, and undermining overall performance.
- **Organizational culture aspects:** Destroys the culture of integrity, diminishes employee morale, and creates distrust within the organization.
- **Governance aspects :** Undetected misconduct can lead to larger problems and affect the Corporate Governance Report (CGR) score and auditor confidence.

• Risk Management Measures

To strengthen the internal checks and balances mechanism, the company will proceed with "**Whistleblower Enhancement Plan**" concretely, with clear objectives as follows:

1. **Policy formulation and appointment of responsible persons (by 2026):**
 - Establish a written whistleblower policy and guidelines approved by the Board of Directors to " **completed** "
 - Appoint a person responsible for whistleblowing matters who possesses " **impartiality** " to build trust among whistleblowers.
2. **Establishing effective investigation and reporting processes (by 2027):**
 - Set a target for complaints to be " **All items are investigated** " and report the results to the Board of Directors within the specified timeframe.
 - In cases of misconduct, clear corrective actions and preventive measures against recurrence must be identified.
3. **Continuous review and improvement:**
 - Review the whistleblower policy and guidelines with the Board of Directors at least once a year.

Attachments

URL Link to the Document : <https://www.demco.co.th/en/corporate-governance/corporate-governance>



Enhancing whistleblowing mechanisms

The business operations of Demco Group and its business stakeholders must be conducted with accuracy, transparency, integrity, accountability, and be free from corruption. This must strictly adhere to relevant laws and Demco Group's anti-corruption policy.

Furthermore, no actions should be taken that could lead to suspicion or damage the reputation of Demco Group.

Demco Group has therefore established an Anti-Corruption and Bribery Policy to serve as a framework for operating with good governance. It has also emphasized to personnel at all levels the importance of adhering to this policy. Personnel must not neglect or ignore actions that may constitute a violation of anti-corruption measures, and should report any improper conduct through the channels designated by the company. They can also seek advice through the provided channels to ensure that Demco Group's operations are transparent and sustainable.

Targets

Topic	Current Status	Targets		
		2026	2027	2028
The company has established a whistleblowing policy and procedures for reporting misconduct.	Complete	-	-	-
<ul style="list-style-type: none"> The company has established a formal, written whistleblowing policy and procedures, which have been approved by the Board of Directors 	Complete	-	-	-
<ul style="list-style-type: none"> Appointment of an impartial recipient for whistleblowing reports. 	Complete	-	-	-
<ul style="list-style-type: none"> All complaints are thoroughly investigated, and outcomes are reported to the Board in a timely manner, with appropriate corrective and preventive actions in cases of confirmed misconduct to avoid recurrence. 	Complete	-	-	-
<ul style="list-style-type: none"> The whistleblowing policy and procedures reviewed by the Board of Directors at least annually. 	Complete	-	-	-
Strengthening Trust and Improving the Effectiveness of Complaint Management	-	In Progress	In Progress	Success

Strategic Initiative

Strategic Initiative	Year	Expected Outcomes
Building Trust and Enhancing the Efficiency of Complaint Management	2026	<ul style="list-style-type: none"> Implement a clear, written Whistleblowing Policy & Guideline as a standalone document, approved by the Company's Board of Directors, and review the policy at least once a year. Communicate the complaint handling system to employees by providing training and/or e-Learning on reporting procedures and whistleblower rights, ensuring that at least 80% of employees understand how to file a whistleblowing report and track its progress. Maintain statistical records and logs of complaints (volume, type, duration, and status) to build a baseline database and support trend analysis.

Strategic Initiative	Year	Expected Outcomes
	2027	<ul style="list-style-type: none"> • Appoint an impartial whistleblowing report recipient and establish an independent “Complaint Investigation Task Force.” • A complaint handling process is in place, and the results are reported to the Company’s Board of Directors.
	2028	<ul style="list-style-type: none"> • Develop a standardized form for recording complaint investigation results. • Monitor and summarize complaint outcomes and report to the Audit Committee on a quarterly basis. • Apply the results of whistleblowing cases to improve internal control processes. • Document “Case Learning” to be used in organizational culture and ethics training.

Risk Management

Risk 1 : Resistance from organizational culture and fear of retaliation

- **Risk Characteristic**

The risk that employees distrust and are reluctant to use the whistleblowing system due to the "Culture of Silence" or the perception that whistleblowing is a negative act, such as "reporting" or "maligning," coupled with a severe fear of negative repercussions, including retaliation, bullying, harassment, or career obstruction.

- **Risk Impact**

Should this risk materialize, it would render the invested whistleblowing system **entirely ineffective** due to a lack of willingness to use it, resulting in the organization being unable to detect illegal acts, corruption, or unethical behavior early on, which could lead to severe damage both financially (fines, loss of contracts) and to its reputation, affecting stakeholder confidence, and negatively impacting CGR and ESG scores.

- **Risk Management Measures**

- **Communication from Top Management (Tone from the Top) :** Management must clearly state and consistently communicate that the organization values integrity and views good-faith whistleblowing as an act of responsibility and loyalty to the organization.
- **Establish a clear Anti-Retaliation Framework:** Define "retaliation" to cover all forms and specify strict disciplinary actions for those who retaliate against whistleblowers in the policy.
- **Ensure utmost confidentiality:** Utilize reliable external technology or platforms to provide maximum assurance to whistleblowers that their identity will not be disclosed.
- **Foster a "Speak-up" Culture:** Provide training to all managers and employees to foster a correct understanding and encourage whistleblowing as a normal practice that all employees can undertake to protect the organization.

Risk 2 : Misuse of the system to make false reports or with malicious intent

- **Risk Characteristic**

The risk that the whistleblowing system will be used as a tool to create false information, attack, or harass colleagues or executives due to personal conflicts, without the genuine intention to report misconduct in good faith.

• **Risk Impact**

forcing the organization to **unnecessarily lose resources (time and personnel)**. in investigating untrue matters, destroying the morale of unfairly accused employees, and most importantly, undermining the credibility and integrity of the whistleblowing system in the long run.

• **Risk Management Measures**

- **Clearly stipulate conditions in the policy** : Stipulate in the policy that the system is intended for "Good-faith Reporting" only, and that false reporting with malicious intent will be considered a disciplinary offense and subject to penalties.
- **Establish an impartial screening and investigation process** : Establish an impartial and trained investigation team to primarily focus on uncovering "evidence" rather than emphasizing the "motivations" of the whistleblower.
- **Communicate alternative channels for conflict resolution** : Encourage employees to utilize existing channels, such as consulting with supervisors or the human resources department, to manage personal conflicts or workplace grievances, thereby preventing the misuse of the whistleblowing system.

Attachments

URL Link to the Document : <https://www.demco.co.th/en/corporate-governance/corporate-governance>



Governance of Risk and Management Compliance

Strengthening emerging risk oversight practices

This strategic plan is designed to elevate DEMCO PCL's Emerging Risk Management (ERM) program, transitioning from a traditional, reactive approach to a proactive mechanism for anticipating, preparing for, and adapting to uncertain business threats and opportunities. It specifically addresses the rapidly evolving geopolitical, environmental, and technological landscapes. This plan will bolster the company's long-term competitive capabilities and sustainability by systematically implementing a phased approach aligned with international standards (ISO 31000, COSO ERM), ensuring that risk management is effectively integrated into strategic decision-making and the corporate culture.

Targets

Topic	Current Status	Targets		
		2026	2027	2028
The company has established policies and guidelines for managing emerging risks.	In Progress	In Progress	In Progress	Success
• Conduct an analysis to identify and assess a minimum of three emerging risks with potential business impact.	Complete	-	-	-
• Each emerging risk is accompanied by scenario analysis and corresponding mitigation plans	Not Started	In Progress	In Progress	Success

Topic	Current Status	Targets		
		2026	2027	2028
<ul style="list-style-type: none"> Engagement of senior management in the tracking and decision processes related to emerging risks. 	In Progress	In Progress	In Progress	Success
Climate-Related Risk Management Enhancement	-	In Progress	In Progress	Success

Strategic Initiative

Strategic Initiative	Year	Expected Outcomes
Foundation & Quick Wins	2026	<ul style="list-style-type: none"> Establish Emerging Risk Radar & Dashboard to monitor key risk signals. Execute Tactical Pilots on 1-2 urgent topics to demonstrate tangible results.
	2027	<ul style="list-style-type: none"> Scale pilot results into actual project bidding and management decision-making processes. Review and upgrade the Dashboard for timely monitoring of market movements and competitor activities.
	2028	<ul style="list-style-type: none"> The new risk management process is fully embedded into the organizational culture, prioritizing rapid response over reporting.
Enablement & Advancement	2026	<ul style="list-style-type: none"> Integrate Emerging Risk data with strategic plans for Project Prioritization Identify new business opportunities derived from technology and regulatory risk analysis.
	2027	<ul style="list-style-type: none"> Utilize Risk Insights for CAPEX approval considerations and strategic partner selection. Begin building a Risk Database based on actual data collected from pilot projects.
	2028	<ul style="list-style-type: none"> Achieve a fully "Risk-Informed Strategy," leveraging risk intelligence to create competitive advantage and enhance future forecasting accuracy.

Risk Management

Risk 1 : Grid Congestion & Grid Services Readiness

- Risk Characteristic**

Risks arising from limited grid capacity unable to accommodate the rapid influx of renewable energy, leading to potential interconnection rejections or delays. This encompasses technical challenges as infrastructure transitions to Smart Grid systems, representing both operational risks and new business opportunities.

- Risk Impact**

Pipeline projects may face delays or interconnection suspensions, negatively impacting revenue recognition and investment plans. Furthermore, failure to adapt to new Grid technologies could result in missed opportunities in the emerging "Grid Services" market and upcoming infrastructure upgrade projects.

- **Risk Management Measures**

1. Conduct a targeted study to develop a Grid Congestion Risk Heatmap for target areas to support project acquisition decisions.
2. Perform scenario analysis on the pipeline impact to align business development strategies with high-potential areas.
3. Prepare workforce and technology capabilities to actively enter the Grid Services and Smart Utility Solutions markets.

Risk 2 : Chinese EPC Competition & Strategic Positioning

- **Risk Characteristic**

Risks stemming from the entry of foreign contractors (particularly Chinese EPCs) possessing advantages in cost structure and integrated supply chains. These competitors act aggressively in the Thai energy infrastructure market through competitive pricing and new technology offerings.

- **Risk Impact**

Loss of market share in traditional EPC sectors and pressure on Gross Profit Margins due to price wars. There is also a risk of uncompetitiveness in large-scale projects without a clear strategic positioning.

- **Risk Management Measures**

1. Conduct a comparative analysis of costs and capabilities to identify Niche Segments where the company holds a competitive advantage.
2. Evaluate "Collaboration" strategies (Co-bid/JV) with foreign players for specific projects instead of direct competition.
3. Shift the value proposition to emphasize service quality, on-time delivery, and deep Local Expertise.

Risk 3 : Cyber & Critical Infrastructure Compliance Risk

- **Risk Characteristic**

Risks arising from the enforcement of new cybersecurity laws and standards (Cybersecurity Act), specifically regulations concerning Critical Information Infrastructure Organizations (CIIO). This directly impacts DEMCO as a contractor and service provider for SCADA, Substations, and O&M systems connected to the national power grid, including exposure to cyber-attacks on Operational Technology (OT) systems.

- **Risk Impact**

Failure to meet security standards could result in disqualification from bidding on state CIIO projects or exposure to legal penalties and fines. Furthermore, a cyber incident could cause severe reputational damage and erode trust among key state enterprise clients.

- **Risk Management Measures**

1. Conduct a study and Gap Analysis of current systems against CIIO regulations and the Cybersecurity Act to ensure proactive readiness.
2. Develop a roadmap to upgrade OT/IT security standards to align with international benchmarks before they become mandatory requirements.
3. Implement initial security controls for critical vulnerability points and establish cybersecurity policies specifically for construction and system installation projects.

Section 3

Climate Action Plan

Section 3 Climate Action Plan

Greenhouse gas inventory (GHG) plan

The Company has published a Greenhouse Gas (GHG) emissions report

URL Link to the Document : https://demcogroup-my.sharepoint.com/:f/g/personal/kanokkorn_kla_demco_co_th/EvxBTLF3yhHkF4T5FljebSb9T9PFoS5e3UbNEHlaGtlrQ?e=mYSkPb



Targets

Topic	Targets		
	2026	2027	2028
GHG inventory report, GHG verification and disclosure (specific to Scope 1 and Scope 2 emissions)	Success	Success	Success

Risk Management

Risk 1 : Data Integrity Risk

- Risk Characteristic**

The risk that activity data used for calculation (e.g., kWh of electricity, liters of fuel, km of travel) is incomplete, incorrect, or entered erroneously (Human Error).

- Risk Impact**

- Credibility aspect: Baseline figure (914 tonCO₂e) inaccurate, causing the 10% reduction target to be distorted and not reflecting reality.
- Strategic aspect: May lead to incorrect prioritization of GHG reduction projects.
- Compliance aspect: Failed verification from TGO or external auditors.

- Risk Management Measures**

- Preventive :1. GHG Data SOP : Develop a clear manual and procedures (SOP) for GHG data collection, specifying the responsible person (Data Owner), source, and frequency.
- Detective :2. Verification Process : Establish a mechanism for data validation (e.g., bill reconciliation, 4-Eyes Principle) before calculation.

Risk 2 : Methodological and

- Risk Characteristic**

Risk of incomplete definition of organizational boundaries (e.g., omitting certain buildings/sites), or using methodologies/Emission Factors (EF) that do not comply with standards (TGO, GHG Protocol), or are inconsistent year-on-year.

• **Risk Impact**

1. Continuity aspect: Data is non-comparable between years, making it unclear whether the increase/decrease in GHG emissions results from actual operations or from a change in measurement methodology.
2. Strategic aspect: Undermines the ability to track the progress of JUMP+ targets.

• **Risk Management Measures**

1. Preventive: 1. GHG Management Plan: Develop a "GHG Management Plan" document that officially specifies the scope, methodology, and sources of EF used (in accordance with ISO14064-1 guidelines).
2. Detective/Assurance: 2. Internal Audit: Mandate the review of the GHG Inventory process as part of the annual internal audit plan.

Decarbonization

Targets

Topic	GHG emissions in the base year (tCO ₂ e)	Target for reducing GHG emissions compared with the base year (tCO ₂ e)		
	2023	2026	2027	2028
Greenhouse gas emission reduction volume	1220	2%	3%	5%

Strategic Initiative

Strategic Initiative	Year	Expected Outcomes
Solar Rooftop Additional Project	2026	<ul style="list-style-type: none"> • Under the Climate Action – JUMP+ plan, the company is expanding the installation area of solar panels to increase total renewable energy generation capacity from 276.52 kW to 416.52 kW (+140 kW) on the rooftop of the head office building, which is the organization’s main electricity consumption zone. The objectives of this project are to increase the proportion of renewable energy use, reduce reliance on grid electricity, and reduce greenhouse gas (GHG) emissions in line with the company’s long-term Net Zero Emissions target. • The Company will install photovoltaic (PV) modules rated at 665 Wp on the head office building, bringing the new total installed generation capacity to approximately 416.52 kW, with construction scheduled to commence in the fourth quarter.
	2027	<ul style="list-style-type: none"> • It is expected that COD will commence within the first quarter, with additional electricity generation of approximately 175,343 kWh per year, resulting in a reduction of greenhouse gas emissions by around 88 tonCO₂eq.
	2028	<ul style="list-style-type: none"> • The Company operates at full power generation capacity, reducing greenhouse gas emissions by approximately 87 tCO₂eq.

Risk Management

Risk 1 : Risk of insufficient project performance to achieve objectives

- **Risk Characteristic**

1. The performance of the SolarRooftop project is lower than projected (Projected Reduction).
2. The GHG emission rate from business-as-usual activities (BusinessAs Usual) is growing faster than the project's reduction rate.

- **Risk Impact**

1. Strategic aspect: Failure to achieve the GHG reduction target of > 10% under the JUMP+ project.
2. Reputational aspect: Impacts investor confidence in the JUMP+ plan and ESG scores.
3. Financial aspect: Electricity costs (Scope 2) remain high; loss of savings opportunities (Lost Savings).

- **Risk Management Measures**

- Preventive/Detective: Data-Driven Governance: Establish a mechanism to monitor GHG reduction results from projects in real-time (monthly) to detect "Reduction Gaps" early.
- Corrective: Identify New Initiatives: Identify additional energy reduction projects (e.g., building energy efficiency improvements - Lean+) to compensate for the existing difference.

Risk 2 : Risk of damage to project assets (Solar Rooftop) from extreme weather conditions

- **Risk Characteristic**

Key assets (SolarRooftop panels) are directly damaged by extreme weather events (e.g., storms, hail) or experience a significant reduction in production efficiency due to heatwaves.

- **Risk Impact**

1. Operations: Electricity generation from Solar Rooftop is disrupted or reduced.
2. Financials: Results in compounding impacts on GHG targets (as inability to generate own electricity leads to increased reliance on purchasing electricity from the grid (Scope 2)) and incurs unexpected repair costs (Opex/Capex).

- **Risk Management Measures**

1. Preventive (TCFD Adaptation): Climate-Resilient Design: Integrate physical risk assessment into the design of the "Solar Rooftop Efficiency Upgrade" project (e.g., selecting high heat-resistant panels, high wind-resistant mounting structures).
 2. Transfer: Arrange property insurance (Property All Risk) that covers damage from natural disasters.
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