

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

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**REVIEWED REPORT AND INTERIM FINANCIAL INFORMATION**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023**

## **INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

To The Shareholders and Board of Directors of  
TRC Construction Public Company Limited

I have reviewed the accompanying consolidated statements of financial position of TRC Construction Public Company Limited and its subsidiaries (the Group) as at September 30, 2023 and the related consolidated statements of comprehensive income for the three-month and nine-month period ended September 30, 2023, consolidated statement changes in shareholders' equity and cash flows for the nine-month period then ended, and the condensed notes to consolidated financial statements and have also reviewed the accompanying statement of financial position of TRC Construction Public Company Limited (the Company) as at September 30, 2023 and the related statement of comprehensive income for the three-month and nine-month period ended September 30, 2023, changes in shareholders' equity and cash flows for the nine-month period then ended and the condensed notes to financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

### **SCOPE OF REVIEW**

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **CONCLUSION**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

(Miss Nitinee Kittikunapong)  
Certified Public Accountant  
Registration No. 8843

Dharmniti Auditing Company Limited  
Bangkok, Thailand  
November 10, 2023

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2023

		<u>ASSETS</u>			
		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		As at September	As at December	As at September	As at December
Notes		30, 2023	31, 2022	30, 2023	31, 2022
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5	66,337	15,709	5,794	7,038
Trade and other current receivables	4, 6	298,557	247,033	144,121	144,069
Contract assets	7	2,345,344	2,742,292	443,258	552,996
Short-term loans to related parties	4	9,778	17,969	2,778	2,778
Advances paid to subcontractors under construction contracts	4	379,037	354,246	41,412	23,597
Inventories	8	-	1,608	-	1,608
Withholding tax deducted at source		114,764	122,856	57,501	79,857
Other current assets		39,529	49,702	12,746	10,613
Total current assets		3,253,346	3,551,415	707,610	822,556
<b>NON-CURRENT ASSETS</b>					
Restricted deposits at banks	9	83,376	53,552	30,736	26,115
Other non-current financial assets	12	5,000	-	-	-
Long-term loans to related parties	4	-	-	-	-
Investments in subsidiaries	10	-	-	477,372	477,372
Investments in associate	11	10,361	-	12,500	-
Investments in joint ventures	12	104,697	123,991	102,376	115,375
Property, plant and equipment	13	539,171	571,987	512,644	547,389
Right-of-use assets	14	25,203	14,673	13,626	12,970
Intangible assets		7,457	9,097	7,280	8,899
Deferred tax assets		9,756	20,508	6,658	17,583
Other non-current assets		9,246	8,168	1,645	1,575
Total non-current assets		794,267	801,976	1,164,837	1,207,278
<b>TOTAL ASSETS</b>		<b>4,047,613</b>	<b>4,353,391</b>	<b>1,872,447</b>	<b>2,029,834</b>

Notes to interim financial statements form an integral part of these statements.

" REVIEWED "

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## AS AT SEPTEMBER 30, 2023

In Thousand Baht

Notes to interim financial statements form an integral part of these statements.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT SEPTEMBER 30, 2023

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		As at September	As at December	As at September	As at December
		30, 2023	31, 2022	30, 2023	31, 2022
Notes					
	Share capital				
	Registered				
	9,587,146,838 ordinary shares of Baht 0.125 each	1,198,393	1,198,393	1,198,393	1,198,393
	Issued and paid-up				
	9,587,146,838 ordinary shares of Baht 0.125 each	1,198,393	1,198,393	1,198,393	1,198,393
	Share premium	-	-	-	-
	Other deficit	-	-	-	-
	Retained earnings (deficits)				
	Appropriated - statutory reserve				
	The Company	-	-	-	-
	Subsidiary	-	-	-	-
	Unappropriated	(1,119,993)	(913,845)	(1,215,531)	(976,933)
	Other components of shareholders' equity	15,777	15,818	-	-
	Equity attributable to owners of the Company	94,177	300,366	(17,138)	221,460
	Non-controlling interests of the subsidiaries	2,461	2,461	-	-
	Total shareholders' equity	96,638	302,827	(17,138)	221,460
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4,047,613	4,353,391	1,872,447	2,029,834

Notes to interim financial statements form an integral part of these statements.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2023	2022	2023	2022
REVENUES	4				
Construction services income		576,627	867,350	206,310	276,632
Other services income		4,154	22,762	-	-
Sales income		-	-	-	-
Interest income		179	248	17	17
Other income		24,666	6,974	24,568	7,986
Total revenues		605,626	897,334	230,895	284,635
EXPENSES					
Cost of construction services	4	525,865	815,618	196,571	261,495
Cost of other services		3,651	20,211	-	-
Cost of sales		-	-	-	-
Administrative expenses		72,983	63,613	52,394	50,511
Loss from business dissolution in the subsidiary	10	-	36,845	-	-
Total expenses		602,499	936,287	248,965	312,006
Profit (loss) from operating activities		3,127	(38,953)	(18,070)	(27,371)
Impairment gain and reversal of impairment loss					
(impairment loss) determined in accordance with TFRS 9		2,250	-	2,250	-
Finance cost	4	(19,246)	(10,642)	(20,934)	(11,195)
Share of profit (loss) from investments in associate	11.2	(5,034)	-	-	-
Share of profit (loss) from investments in joint venture	12.2	(836)	(1,850)	-	-
Profit (loss) before income tax expenses		(19,739)	(51,445)	(36,754)	(38,566)
Income tax income (expenses)	20	(5,823)	(2,655)	(5,795)	(592)
PROFIT (LOSS) FOR THE PERIOD		(25,562)	(54,100)	(42,549)	(39,158)

Notes to interim financial statements form an integral part of these statements.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONT.)

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2023	2022	2023	2022
Other comprehensive income:					
Components of other comprehensive income to be reclassified to profit or loss					
Exchange differences on translation of financial statements					
in foreign currency - net of income tax					
		1,805	(990)	-	-
Other comprehensive income for the period - net of income tax		1,805	(990)	-	-
Total comprehensive income for the period		(23,757)	(55,090)	(42,549)	(39,158)
Profit (loss) attributable to:					
Equity holders of the Company		(25,562)	(53,697)	(42,549)	(39,158)
Non-controlling interests of the subsidiaries		-	(403)	-	-
		(25,562)	(54,100)	(42,549)	(39,158)
Total comprehensive income attributable to:					
Equity holders of the Company		(23,757)	(55,546)	(42,549)	(39,158)
Non-controlling interests of the subsidiaries		-	456	-	-
		(23,757)	(55,090)	(42,549)	(39,158)
Earnings per share	21				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company					
(Baht per share)		(0.0027)	(0.0056)	(0.0044)	(0.0041)

Notes to interim financial statements form an integral part of these statements.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2023	2022	2023	2022
REVENUES	4				
Construction services income		1,728,685	2,596,325	711,168	797,085
Other services income		13,788	25,398	-	-
Sales income		-	1,600	-	-
Interest income		760	848	120	31
Other income		41,464	25,629	34,932	17,483
Total revenues		1,784,697	2,649,800	746,220	814,599
EXPENSES					
Cost of construction services	4	1,604,643	2,444,311	664,157	726,748
Cost of other services		11,786	21,961	-	-
Cost of sales		-	1,222	-	-
Administrative expenses		197,480	197,039	143,024	150,354
Loss from business dissolution in the subsidiary	10	-	36,845	-	-
Total expenses		1,813,909	2,701,378	807,181	877,102
Profit (loss) from operating activities		(29,212)	(51,578)	(60,961)	(62,503)
Impairment gain and reversal of impairment loss					
(impairment loss) determined in accordance with TFRS 9		2,250	-	(111,493)	-
Finance cost	4	(49,054)	(30,754)	(55,220)	(33,450)
Share of profit (loss) from investments in associate	11.2	(118,338)	-	-	-
Share of profit (loss) from investments in joint venture	12.2	(173)	(10,465)	-	-
Profit (loss) before income tax expenses		(194,527)	(92,797)	(227,674)	(95,953)
Income tax income (expenses)	20	(11,621)	(5,004)	(10,924)	156
PROFIT (LOSS) FOR THE PERIOD		(206,148)	(97,801)	(238,598)	(95,797)

Notes to interim financial statements form an integral part of these statements.



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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONT.)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2023	2022	2023	2022
Other comprehensive income:					
Components of other comprehensive income to be reclassified to profit or loss					
Exchange differences on translation of financial statements					
in foreign currency - net of income tax					
		(41)	(1,468)	-	-
Other comprehensive income for the period - net of income tax		(41)	(1,468)	-	-
Total comprehensive income for the period		(206,189)	(99,269)	(238,598)	(95,797)
Profit (loss) attributable to:					
Equity holders of the Company		(206,148)	(97,208)	(238,598)	(95,797)
Non-controlling interests of the subsidiaries		-	(593)	-	-
		(206,148)	(97,801)	(238,598)	(95,797)
Total comprehensive income attributable to:					
Equity holders of the Company		(206,189)	(97,067)	(238,598)	(95,797)
Non-controlling interests of the subsidiaries		-	(2,202)	-	-
		(206,189)	(99,269)	(238,598)	(95,797)
Earnings per share	21				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company					
(Baht per share)		(0.0215)	(0.0101)	(0.0249)	(0.0100)

Notes to interim financial statements form an integral part of these statements.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

In Thousand Baht

Consolidated financial statements

	Consolidated financial statements											
	Equity attributable to the parent's shareholders										Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
	Issued and paid-up share capital	Other deficit		Retained earnings (deficit)			Other components of equity			Total equity attributable to shareholders of the Company		
		Deficit on revaluation of investment in subsidiaries	Total other deficit	Appropriated - Statutory reserve		Unappropriated	Other comprehensive income		Total other components of shareholders' equity			
				The Company	Subsidiary		Exchange differences on translation of financial statements in foreign currency	Share of other comprehensive income from associate				
Balance as at January 1, 2022	1,198,393	(2,956)	(2,956)	-	4,108	(816,251)	15,218	900	16,118	399,412	(31,610)	367,802
Profit (loss) for the period	-	-	-	-	-	(97,208)	-	-	-	(97,208)	(593)	(97,801)
Other comprehensive income for the period	-	-	-	-	-	-	141	-	141	141	(1,609)	(1,468)
Total comprehensive income for the period	-	-	-	-	-	(97,208)	141	-	141	(97,067)	(2,202)	(99,269)
Effective loss from business dissolution in the subsidiary	-	2,956	2,956	-	(4,108)	-	-	-	-	(1,152)	36,273	35,121
Balance as at September 30, 2022	1,198,393	-	-	-	-	(913,459)	15,359	900	16,259	301,193	2,461	303,654
Balance as at January 1, 2023	1,198,393	-	-	-	-	(913,845)	14,918	900	15,818	300,366	2,461	302,827
Profit (loss) for the period	-	-	-	-	-	(206,148)	-	-	-	(206,148)	-	(206,148)
Other comprehensive income for the period	-	-	-	-	-	-	(41)	-	(41)	(41)	-	(41)
Total comprehensive income for the period	-	-	-	-	-	(206,148)	(41)	-	(41)	(206,189)	-	(206,189)
Balance as at September 30, 2023	1,198,393	-	-	-	-	(1,119,993)	14,877	900	15,777	94,177	2,461	96,638

Notes to interim financial statements form an integral part of these statements.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

	In Thousand Baht		
	Separate financial statements		
	Issued and paid-up share capital	Retained earnings (deficit)	
		Appropriated - Statutory reserve	Unappropriated
			Total shareholders' equity
Balance as at January 1, 2022	1,198,393	-	(868,645)
Profit (loss) for the period	-	-	(95,797)
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	-	(95,797)
Balance as at September 30, 2022	1,198,393	-	(964,442)
Balance as at January 1, 2023	1,198,393	-	(976,933)
Profit (loss) for the period	-	-	(238,598)
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	-	(238,598)
Balance as at September 30, 2023	1,198,393	-	(1,215,531)

Notes to interim financial statements form an integral part of these statements.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE NINE-MONTH PERIOD SEPTEMBER 30, 2023

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit (loss) before tax	(194,527)	(92,797)	(227,674)	(95,953)
Adjustments to reconcile profit (loss) before tax				
to net cash provided by (paid from) operating activities				
Depreciation and amortisation	50,192	52,466	46,701	46,702
Expected credit loss allowance (Reverse)	(2,369)	-	111,399	-
Allowance for decline in value of inventories (Reverse)	(694)	-	(694)	-
Unrealised (gain) loss on exchange rate	(16)	330	(16)	330
(Gain) loss on disposal of equipment	(75)	(232)	(75)	(199)
Loss on write-off of equipment	204	1,930	39	1,925
Loss from business dissolution in the subsidiary	-	36,845	-	-
Loss from the reduction of proportion in joint venture	3,041	-	-	-
Share of (profit) loss from investments in associate	118,339	-	-	-
Share of (profit) loss from investments in joint venture	58	10,243	-	-
Provision for litigation (Reverse)	(1,701)	-	(1,701)	-
Provision for liabilities under construction projects (Reverse)	(29,731)	21,343	(29,731)	2,115
Non-current provisions for employee benefits	6,884	10,388	5,164	7,685
Interest income	(760)	(848)	(120)	(31)
Interest expenses	49,054	30,754	55,220	33,450
Profit (loss) from operating activities before changes in				
operating assets and liabilities	(2,101)	70,422	(41,488)	(3,976)
(Increase) decrease in operating assets				
Trade and other current receivables	(49,952)	12,271	2,370	16,195
Contract assets	396,948	(320,475)	109,738	167,809
Advance paid to subcontractors under construction contracts	(24,791)	38,423	(17,815)	16,980
Inventories	2,302	-	2,302	-
Other current assets	10,173	(15,545)	(2,133)	(2,318)
Other non-current assets	(1,078)	(3,765)	(70)	63

Notes to interim financial statements form an integral part of these statements.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE NINE-MONTH PERIOD SEPTEMBER 30, 2023

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Increase (decrease) in operating liabilities				
Trade and other current payables	96,035	(27,771)	9,577	(42,963)
Unbilled payables	(235,523)	360,213	(11,858)	40,051
Contract liabilities	(84,221)	(217,828)	(54,399)	(96,755)
Accounts payable - retention under construction contracts	55,330	35,560	420	4,415
Other current liabilities	17,335	18,098	3,234	(4,370)
Cash flows from provide by (used in) operating activities	180,457	(50,397)	(122)	95,131
Cash paid for provision for liabilities under construction projects	(30,408)	(35,904)	(29,232)	(878)
Cash paid for provision for litigation	(793)	-	(793)	-
Cash paid for non-current provision for employee benefits	(112)	(11,624)	(112)	(7,886)
Cash paid for income tax	(38,486)	(103,165)	(22,448)	(85,144)
Received from withholding tax refund	45,470	57,776	44,804	57,713
Net cash flows provided by (used in) operating activities	156,128	(143,314)	(7,903)	58,936
Cash flows from investing activities				
Decrease (increase) in restricted deposits at banks	(29,824)	(1)	(4,621)	(1)
Cash paid for investing in other non-current financial assets	(5,000)	-	-	-
Cash receive from short-term loans to related parties	8,191	3,231	-	-
Cash paid for short-term loans to related parties	-	-	(464)	(2,778)
Cash paid for long-term loans to related parties	-	-	(113,304)	-
Cash paid for investing in associate	(119,255)	-	(6,250)	-
Cash paid for investing in joint venture	-	(6,340)	-	(6,000)
Cash received from the payback of capital in joint venture	6,749	-	6,749	-
Interest income	1,557	444	68	11
Cash received from disposal of equipment	75	232	75	199
Cash paid for purchase of property, plant and equipment	(8,596)	(15,828)	(4,817)	(15,458)
Cash paid for purchase of intangible assets	-	(225)	-	(154)
Net cash flows provided by (used in) investing activities	(146,103)	(18,487)	(122,564)	(24,181)

Notes to interim financial statements form an integral part of these statements.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE NINE-MONTH PERIOD SEPTEMBER 30, 2023

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(118,293)	133,300	(37,207)	(31,508)
Cash receive from short-term loans from person or related parties	219,702	63,000	328,516	182,386
Cash paid for short-term loans from person or related parties	(12,900)	(2,000)	(118,037)	(186,500)
Interest expenses	(37,259)	(27,978)	(38,333)	(12,396)
Cash paid for lease liabilities	(10,606)	(9,945)	(5,716)	(6,236)
Net cash flows provided by (used in) financing activities	40,644	156,377	129,223	(54,254)
Increase (decrease) in translation adjustment	(41)	(3,191)	-	-
Net increase (decrease) in cash and cash equivalents	50,628	(8,615)	(1,244)	(19,499)
Cash and cash equivalents at the beginning of the period	15,709	52,942	7,038	29,689
Cash and cash equivalents at the end of the period	66,337	44,327	5,794	10,190
Supplemental cash flows information				
Non-cash items consist of				
Increase (decrease) in purchase of fixed assets				
that have yet to be paid	934	(5,703)	907	(5,663)
Increase in lease liabilities	16,940	2,842	5,308	2,234

Notes to interim financial statements form an integral part of these statements.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**1. CORPORATE INFORMATION**

**(A) Operating Results of the Company**

TRC Construction Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in construction service and its registered address is No. 8, Soi Sukhapiban 5 Soi 32, Kwang Tha Raeng, Khet Bang Khen, Bangkok.

**(B) Assumption underlying the preparation of the interim financial statements**

As at September 30, 2023, in the separate financial statements the Company has higher current liabilities than current assets for Baht 1,143 million. The capital deficiency loss is Baht 17 million and operating loss of Baht 238 million, mainly due to the recording of bad debts and allowance for doubtful accounts from lending to subsidiaries and indirect subsidiaries to invest in ASEAN Potash Chaiphum Public Company Limited (associated company) and the outstanding balances related to construction projects received from the associated company. This is due to the uncertain situation in the project development of the associated company. The management plans to allocate the capital increase ordinary shares. According to the resolution of the Board of Directors' Meeting No. 8/2023 held on October 9, 2023, it was resolved to approve the date of the Extraordinary Meeting No. 1/2023 held on November 27, 2023 to consider approving the allocation of capital increase ordinary shares in an amount not exceeding 2,396,786,710 shares with a par value of Baht 0.125 per share and offer for sale to existing shareholders of the Company in proportion to their shareholding in an allocation ratio of 4 existing ordinary shares to 1 capital increase ordinary share at an offering price of Baht 0.20 to enhance the liquidity of the Company group. In addition, the management has prepared the business operation plan, set a policy for new customer base expansion to increase revenues, policy to control expense to reduce operating costs and the Company has adequate short-term loan for its operation. Therefore, the Company can continue to operate on a going concern. From the above reasons, these financial statements have been prepared in accordance with generally accepted accounting principles based on the accounting assumption that the business will continue as a going concern. Therefore, assets are not adjusted for their salable prices and liabilities are not adjusted for the amounts that would have to be repaid and reclassified. This may be necessary if the Company cannot continue to operate as a going concern.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)**  
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**2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS**

**2.1 Basis for the preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”, and the requirements of the Securities and Exchange Commission (SEC). The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and situations and not intended to re-emphasis on the information previously reported. The interim financial statements should therefore, be read in conjunction with the financial statements for the year ended December 31, 2022.

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

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

**2.2 Financial reporting standards that became effective in the current period**

During the period, the Group have adopted the revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2023. This revision is for the financial reporting standards to be clearer and more appropriate and to conform with international financial reporting standards. Such revision does not affect the principles of the standards and does not affect the users of the financial reporting standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current period.

**2.3 Revised financial reporting standards to be applied in the future**

The Federation of Accounting Professions has announced to apply the revised financial reporting standards 2023 and it was announced in the Royal Gazette on August 8, 2023 on altogether 4 topics: definition of the accounting estimates, disclosure of information of the accounting policy, deferred income tax related to assets and liabilities arising from one transaction and other adjustments due to the change of the Accounting Standard No. 17 “Insurance Contracts”. This adjustment is an adjustment for the financial reporting standards to be clearer and more appropriate. This is effective for the financial statements for the accounting period beginning on or after January 1, 2024.

The Management of the Group have assessed and believed that this revision will not significantly affect the financial statements in the year that such standard is applied.

**3. BASIS OF CONSOLIDATION**

These consolidated interim financial statements are prepared on the same basis as that applied for the preparation of the consolidated financial statements for the year ended December 31, 2022, with there being no changes in the structure of shareholding in subsidiaries during the current period.



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**4. RELATED PERSON OR PARTY TRANSACTIONS**

During the periods, the Group had significant business transactions with person or related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those person or related parties.

Detail of relation between the Company and its person or related parties and companies are summarized as follows:

Company's name	Country of incorporation	Type of relation
Sahakarn Wisavakorn Company Limited	Thailand	Subsidiary company
TRC Investment Limited	The Republic of Mauritius	Subsidiary company
Hydrotek Sahakarn Joint Venture	Thailand	Subsidiary company
TRC International Limited	Hong Kong	Subsidiary company
TRC Middle East LLC *	Sultanate of Oman	Subsidiary company
TRC Engineering LLC *	Sultanate of Oman	Subsidiary company
Olive Technology Company Limited	Thailand	Subsidiary company
Mahat Company Limited	Thailand	Subsidiary company
Saha Hydro Pattaya Joint Venture	Thailand	Subsidiary company
ASEAN Potash Chaiyaphum Public Company Limited	Thailand	Associated company
Sinopec-TRC Joint Venture	Thailand	Joint venture
SH Crossing Company Limited	Thailand	Joint venture
AT Energy Solution Company Limited	Thailand	Joint venture
TRC Utility Company Limited	Thailand	Joint venture
		from July 27, 2023 the status of such company changed from the Joint venture to the Associated company with 40% shareholding
Sahakarn Underground Joint Venture	Thailand	Joint venture
XSENSE - OLIVE Joint Venture	Thailand	Joint venture
EXPRESS WORLD TRACKING Joint Venture	Thailand	Joint venture
		from May 16, 2023 the status of such company changed from the Joint venture to the Related party
KPK 1999 Company Limited	Thailand	Related company and Common director
Pasit Leesakul	Thailand	Director
Paichit Rattananon	Thailand	Chairman of the Board of Directors

\* On September 30, 2022, the subsidiary has dissolved the business and undergone the liquidation process.

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)**

**SEPTEMBER 30, 2023**

Significant transactions with person or related parties for the three-month and nine-month periods ended September 30, 2023 and 2022 are as follows:

	In Million Baht				
	For the three-month periods ended September 30,				
	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2023	2022	2023	2022	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Cost of construction services	-	-	3	1	Cost plus margin
Finance cost	-	-	11	7	At rate of 4.5% - 7.00% p.a. (2022 : At rate of 2.5% - 6.25% p.a.)
Other income	-	-	4	4	Cost plus margin
<u>Transactions with person or related parties</u>					
Other service income	4	-	-	-	Contract price
Finance cost	6	1	6	1	At rate of 8.00% - 9.00% p.a. (2022 : At rate of 8.00% p.a.)
Other income	1	3	1	2	Cost plus margin
Interest income	1	-	-	-	At rate of 2.5% p.a.

	In Million Baht				
	For the nine-month periods ended September 30,				
	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2023	2022	2023	2022	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Cost of construction services	-	-	6	3	Cost plus margin
Finance cost	-	-	33	19	At rate of 4.5% - 7.00% p.a. (2022 : At rate of 2.5% - 6.25% p.a.)
Other income	-	-	12	11	Cost plus margin
<u>Transactions with person or related parties</u>					
Other service income	10	-	-	-	Contract price
Finance cost	11	2	11	2	At rate of 6.25% - 9.00% p.a. (2022 : At rate of 8.00% p.a.)
Other income	2	5	2	3	Cost plus margin
Interest income	1	-	-	-	At rate of 2.5% p.a.

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)**

**SEPTEMBER 30, 2023**

The significant outstanding balances with person or related parties as at September 30, 2023 and December 31, 2022, are as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements	Financial Statements	Financial Statements	Financial Statements
	As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022
<u>Trade and other current receivables - related parties</u>				
Subsidiary companies	-	-	547,425	528,838
Associated company	381,677	383,420	381,516	383,420
Joint venture	23,596	35,876	3,466	7,583
Related party	297	-	-	-
Total	405,570	419,296	932,407	919,841
<u>Less</u> The expected credit loss allowance	(381,051)	(383,420)	(891,374)	(841,010)
Trade and other current receivables - related parties - net	24,519	35,876	41,033	78,831
<u>Account receivable - retention under construction contracts - related parties</u>				
Associated company	7,854	7,854	7,854	7,854
Joint venture	-	-	-	-
Total	7,854	7,854	7,854	7,854
<u>Less</u> : The expected credit loss allowance	(7,854)	(7,854)	(7,854)	(7,854)
Total account receivable - retention under construction contracts - related parties - net	-	-	-	-
<u>Advances paid to subcontractor under construction contract - related party</u>				
Joint venture	38,905	42,528	-	-
Total	38,905	42,528	-	-
<u>Short-term loans to related parties</u>				
Subsidiary company	-	-	5,059	4,595
Associated company	7,000	-	-	-
Joint venture	2,778	17,969	2,778	2,778
Total	9,778	17,969	7,837	7,373
<u>Less</u> : The expected credit loss allowance	-	-	(5,059)	(4,595)
Total short-term loans to related parties - net	9,778	17,969	2,778	2,778
<u>Long-term loans to related parties</u>				
Subsidiary companies	-	-	1,419,821	1,306,517
Total	-	-	1,419,821	1,306,517
<u>Less</u> : The expected credit loss allowance	-	-	(1,419,821)	(1,306,517)
Total long-term loans to related parties - net	-	-	-	-

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)**

**SEPTEMBER 30, 2023**

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022
<u>Trade and other current payables - person or related parties</u>				
Subsidiary companies	-	-	79,714	77,704
Joint ventures	31,685	41,741	53	44
Related company	6,017	-	6,017	-
Director and Chairman of the Board of Directors	8,035	3,347	8,035	3,347
Total	45,737	45,088	93,819	81,095
<u>Short-term loans from person or related parties</u>				
Subsidiary companies	-	-	642,591	638,914
Joint venture	-	7,000	-	7,000
Related company	186,500	-	186,500	-
Director and Chairman of the Board of Directors	93,602	66,300	93,602	66,300
Total	280,102	73,300	922,693	712,214
<u>Accounts payable - retention under construction contracts - related party</u>				
Joint venture	19,928	12,996	-	-
Total	19,928	12,996	-	-
<u>Non-other current liabilities - related party</u>				
Joint venture	13,890	13,890	-	-
Total	13,890	13,890	-	-

The movements of loans and short-term loans between the Company and related companies for the nine-month period ended September 30, 2023.

		In Thousand Baht			
		Consolidated Financial Statements			
		Balance as at December 31, 2022	Increase	Decrease	Balance as at September 30, 2023
<u>Loans to</u>	<u>Related by</u>				
<u>Short-term loans</u>					
Sahakarn Underground Joint Venture	Joint Venture	3,191	-	(3,191)	-
TRC Utility Company Limited	Joint Venture	12,000	-	(5,000)	7,000
	(from July 27, 2023 the status changed to the Associated company)				
XSENSE - OLIVE Joint Venture	Joint Venture	2,778	-	-	2,778
Total		17,969	-	(8,191)	9,778
Less : The expected credit loss allowance		-	-	-	-
Short-term loans - net		17,969	-	(8,191)	9,778

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

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**SEPTEMBER 30, 2023**

		In Thousand Baht				
		Separate Financial Statements				
Loans to	Related by	Balance as at December 31, 2022	Increase	Decrease	Exchange rate adjustment	Balance as at September 30, 2023
<u>Short-term loans</u>						
TRC Investment Limited	Subsidiary company	4,595	439	-	25	5,059
XSENSE - OLIVE Joint Venture	Joint Venture	2,778	-	-	-	2,778
Total		7,373	439	-	25	7,837
Less : The expected credit loss allowance		(4,595)	(439)	-	(25)	(5,059)
Short-term loans - net		2,778	-	-	-	2,778
<u>Long-term loans</u>						
TRC Investment Limited	Subsidiary company	1,260,508	101,250	-	-	1,361,758
TRC International Limited	Subsidiary company	46,009	12,054	-	-	58,063
Total		1,306,517	113,304	-	-	1,419,821
Less : The expected credit loss allowance		(1,306,517)	(113,304)	-	-	(1,419,821)
Long-term loans - net		-	-	-	-	-

Loans to related parties carried interest at rate of 2.5% - 9.25% per annum (December 31, 2022 : 2.5% - 5.0% per annum) due for repayment on demand and no security to guarantee.

		In Thousand Baht			
		Consolidated Financial Statements			
Short-term loans from	Related by	Balance as at December 31, 2022	Increase	Decrease	Balance as at September 30, 2023
XSENSE - OLIVE Joint Venture	Joint Venture	7,000	-	(7,000)	-
KPK 1999 Company Limited	Related company	-	186,500	-	186,500
Pasit Leesakul	Director	41,000	-	-	41,000
Paichit Rattananon	Chairman of the Board of Directors	25,300	33,202	(5,900)	52,602
Total		73,300	219,702	(12,900)	280,102

		In Thousand Baht			
		Separate Financial Statements			
Short-term loans from	Related by	Balance as at December 31, 2022	Increase	Decrease	Balance as at September 30, 2023
Sahakarn Wisavakorn Company Limited	Subsidiary company	618,500	108,500	(91,209)	635,791
SAHAHYDRO PATTAYA Joint Venture	Subsidiary company	9,414	314	(9,728)	-
Olive Technology Company Limited	Subsidiary company	11,000	-	(4,200)	6,800
XSENSE - OLIVE Joint Venture	Joint Venture	7,000	-	(7,000)	-
KPK 1999 Company Limited	Related company	-	186,500	-	186,500
Pasit Leesakul	Director	41,000	-	-	41,000
Paichit Rattananon	Chairman of the Board of Directors	25,300	33,202	(5,900)	52,602
Total		712,214	328,516	(118,037)	922,693

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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Short-term loans from person or related parties carried interest at rate of 6.25% - 9.0% per annum (December 31, 2022 : 2.5% - 8.0% per annum) and due for repayment on demand and no security to guarantee.

**Guarantee obligations with related parties**

The Company has outstanding guarantee obligations with its related parties, as described in Note 23.4 and 23.5.

**Managenent benefit expenses**

During the three-month and nine-month periods ended September 30, 2023 and 2022, the Group had employee benefit expenses of their management as below.

	In Million Baht			
	For the three-month periods ended September 30,			
	Consolidated Financial Statements		Separate Financial Statements	
	2023	2022	2023	2022
Short-term employee benefits	5	4	4	4
Post-employment benefits	-	1	-	1
Total	5	5	4	5

	In Million Baht			
	For the nine-month periods ended September 30,			
	Consolidated Financial Statements		Separate Financial Statements	
	2023	2022	2023	2022
Short-term employee benefits	14	15	13	13
Post-employment benefits	1	1	1	1
Total	15	16	14	14

**5. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022
Cash	1,327	1,377	170	180
Deposits at banks (saving and current account)	65,010	14,332	5,624	6,858
Total	66,337	15,709	5,794	7,038

Saving accounts carry interest at the floating rates which are set by the bank.

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**SEPTEMBER 30, 2023**

**6. TRADE AND OTHER CURRENT RECEIVABLES**

Trade and other current receivables are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	177	-	177	-
Past due				
Up to 3 months	-	16,668	-	-
3 - 6 months	20,120	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	381,051	383,420	381,051	383,420
Total trade accounts receivable - related parties	401,348	400,088	381,228	383,420
Less : The expected credit loss allowance	(381,051)	(383,420)	(381,051)	(383,420)
Total trade accounts receivable - related parties - net	20,297	16,668	177	-
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	181,675	94,901	67,664	33,973
Past due				
Up to 3 months	28,009	43,368	21,883	23,631
3 - 6 months	-	10,564	-	-
6 - 12 months	-	4,956	-	-
Over 12 months	14,777	214	214	214
Total trade accounts receivable - unrelated parties	224,461	154,003	89,761	57,818
Less : The expected credit loss allowance	(214)	(214)	(214)	(214)
Total trade accounts receivable - unrelated parties - net	224,247	153,789	89,547	57,604
Total trade accounts receivable - net	244,544	170,457	89,724	57,604
<u>Other current receivables</u>				
Advance to related parties	3,971	18,161	40,767	78,795
Interest receivable from related parties	251	1,047	510,412	457,627
Others	50,625	58,202	14,375	8,468
Total other current receivables	54,847	77,410	565,554	544,890
Less : The expected credit loss allowance	(834)	(834)	(511,157)	(458,425)
Total other current receivables - net	54,013	76,576	54,397	86,465
Total trade and other current receivables - net	298,557	247,033	144,121	144,069

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The Group transferred rights to receive payment from accounts receivable under construction contracts to secure the credit facilities with banks. Pledged trade accounts receivable amounting to Baht 221 million included in the trade accounts receivable balance as at September 30, 2023 (the Company only: Baht 88 million) (December 31, 2022 : Baht 84 million, (the Company only: Baht 46 million)).

**7. CONTRACT ASSETS / CONTRACT LIABILITIES**

**7.1 Contract balances**

	In Thousand Baht			
	Consolidated Financial		Separate Financial	
	Statements		Statements	
	As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022
Contract assets				
Unbilled receivable	2,060,427	2,472,845	423,755	494,535
Accounts receivable - retention under construction contracts	292,771	277,301	27,357	66,315
Less : The expected credit loss allowance	(7,854)	(7,854)	(7,854)	(7,854)
Total contract assets	<u>2,345,344</u>	<u>2,742,292</u>	<u>443,258</u>	<u>552,996</u>
Contract liabilities				
Unearned construction - revenue	-	3,280	-	3,280
Advances received from customers under construction project	<u>533,335</u>	<u>614,276</u>	<u>32,781</u>	<u>83,900</u>
Total contract liabilities	<u>533,335</u>	<u>617,556</u>	<u>32,781</u>	<u>87,180</u>

**7.2 Unbilled receivable**

As at September 30, 2023 and December 31, 2022 the Group had balance of unbilled receivables of Baht 2,060 million and Baht 2,391 million, respectively (Separate financial statements: Baht 424 million and Baht 413 million, respectively) was expected to be billed within one year.

As at December 31, 2022 the Group had balance of unbilled receivables of Baht 82 million (Separate financial statement : Baht 82 million) was expected to be billed after one year. the detail of Note 24 (the second case of the Company).



**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**7.3 Revenue recognised in relation to contract balances**

During the nine-month period ended September 30, 2023 and 2022, the Group recognised contract liabilities at the beginning of the year of Baht 229 million and Baht 294 million, respectively. (Separate financial statements: Baht 69 million and Baht 151 million, respectively) as revenue.

**7.4 Revenue to be recognised for the remaining performance obligations**

As at September 30, 2023 and December 31, 2022 the Group expected to recognise revenue totaling Baht 4,050 million and Baht 4,460 million, respectively (Separate financial statements: Baht 439 million and Baht 586 million, respectively) 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 1-2 years.

**8. INVENTORIES**

Inventories are as follows:

	In Thousand Baht			
	Consolidated Financial		Separate Financial	
	Statements		Statements	
	As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022
Raw materials and construction supplies	-	2,302	-	2,302
<u>Less</u> Allowance for decline in value of				
Inventories	-	(694)	-	(694)
Inventories - net	-	1,608	-	1,608

During the third quarter of 2023, the Group reversed allowance for decline in value of inventories from the sales.

**9. RESTRICTED DEPOSITS AT BANKS**

These balances represent saving deposit and fixed deposits that the Group pledged with banks guarantee facilities issued by the banks on behalf of the Group, as described in Note 23.4.

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**10. INVESTMENTS IN SUBSIDIARIES**

Investments in subsidiaries in the separate financial statements which use the cost method are as follows:

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage (%)		Cost method (In Baht)	
			As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022
Sahakarn Wisavakorn Company Limited	Construction services - basic infrastructure	Thailand	500,000,000 Baht	500,000,000 Baht	99.99	99.99	620,894,691	620,894,691
TRC Investment Limited*	Holding company	The Republic of Mauritius	1 USD	1 USD	100.00	100.00	32	32
Olive Technology Company Limited	Data management and processing	Thailand	3,100,000 Baht	3,100,000 Baht	49.97	49.97	1,549,070	1,549,070
Total							622,443,793	622,443,793
Less : Allowance for loss on impairment of investment							(145,071,416)	(145,071,416)
Total investments in subsidiaries - net							477,372,377	477,372,377

\* The financial statements of the subsidiary were prepared by the management of the subsidiary and not reviewed by other auditors.

Details of investments in subsidiaries which are held by the Company's subsidiaries are as follows:

Company's name	Nature	Country of	Paid-up capital		Shareholding percentage (%)		Cost method (In Baht)	
	of business	incorporation	As at September	As at December	As at September	As at December	As at September	As at December
			30, 2023	31, 2022	30, 2023	31, 2022	30, 2023	31, 2022
<u>Held by Sahakarn Wisavakorn Company Limited</u>								
Hydrotek Sahakarn Joint Venture	Construction services	Thailand	1,000,000	1,000,000	49.00	49.00	490,000	490,000
			Baht	Baht				
Saha Hydro Pattaya Joint Venture	Construction services	Thailand	200,000	200,000	100.00	100.00	200,000	200,000
			Baht	Baht				
<u>Held by TRC Investment Limited</u>								
TRC International Limited*	Holding company	Hong Kong	10 HKD	10 HKD	100.00	100.00	33	33
<u>Held by Olive Technology Company Limited</u>								
Mahat Company Limited	Data management	Thailand	1,000,000	1,000,000	59.98	59.98	599,800	599,800
	and processing		Baht	Baht				
Total							1,289,833	1,289,833
Less: Allowance for loss on impairment of investment							-	-
Total investments in subsidiaries which are held by the Company's subsidiaries - net							1,289,833	1,289,833

\* The financial statements of the subsidiary were prepared by the management of the subsidiary and not reviewed by other auditors.

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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Hydrotek Sahakarn Joint Venture

As at September 30, 2023 such subsidiary is under liquidation process.

TRC Middle East LLC and TRC Engineering LLC

As at September 30, 2022 both subsidiary's business had been dissolved undergone the liquidation process and ended the status of the subsidiary. Both subsidiaries had been operating at loss so the Company has to recognize the loss from the subsidiary's business dissolution in the amount of Baht 36.85 million as stated in the statement of comprehensive income.

**11. INVESTMENTS IN ASSOCIATE**

**11.1 Details of associate**

Investments in associate in the consolidated financial statements which use the equity method are as follows:

Company's name	Nature of business	Country of incorporation	Consolidated Financial Statements					
			Shareholding percentage (%)		Cost		Carrying amounts based on	
					(In Thousand Baht)		equity method	
							(In Thousand Baht)	
			As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022
<u>Held by the Company</u>								
TRC Utility Company Limited	To produce and Distribute tep water	Thailand	40.00	-	12,500	-	10,361	-
<u>Held by TRC Investment Limited</u>								
ASEAN Potash Chaiyaphum Public Company Limited	Mining Industries	Thailand	22.46	22.46	1,362,524	1,261,274	1,126,742	1,126,742
<u>Held by TRC International Limited</u>								
ASEAN Potash Chaiyaphum Public Company Limited	Mining Industries	Thailand	2.67	2.67	112,054	100,000	85,989	85,989
Total					1,487,078	1,361,274	1,223,092	1,212,731
<u>Less</u> : Allowance for loss on impairment of investment					(1,474,578)	(1,361,274)	(1,212,731)	(1,212,731)
Total investment in associate - net					12,500	-	10,361	-

Investments in associate in the separate financial statements which use the cost method are as follows:

Company's name	Nature of business	Separate financial statements			
		Shareholding percentage (%)		Cost (In Thousand Baht)	
		As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022
TRC Utility Company Limited	To produce and distribute tap water	40	-	12,500	-
Total				12,500	-

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)**  
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ASEAN Potash Chaiphum Public Company Limited

According to the resolution of the board of directors' meeting No.3/2023 held on March 22, 2023, it had a resolution to approve the loan with TRC Investment Limited (subsidiary) and TRC International Limited (indirect subsidiary) in the total amount Baht 113.30 million to invest in the ordinary shares capital increase No.1/2023 of ASEAN Potash Chaiphum Public Company Limited for 4,509,300 shares at Baht 100 per share by the shareholding proportion in the associated company at 22.4535 percent and 2.6730 percent, respectively, and on May 29, 2023, the subsidiary and indirect subsidiary have paid for the shares in total amount of Baht 113.30 million in the full amount.

According to the Board of Directors' Meeting No. 7/2023 held on September 26, 2023, it was resolved to approve additional investment in capital increase ordinary shares in an amount not over Baht 4,409,467,100 in proportion to the shareholding of the subsidiaries and indirect subsidiaries in ASEAN Potash Chaiphum Public Company Limited to be presented to the Extraordinary Shareholders' Meeting for further consideration.

Later, according to the Company's Board of Directors Meeting No. 8/2023 held on October 9, 2023, it was resolved to approve changing the additional investment limit in capital increase ordinary shares in proportion to ASEAN Potash Chaiphum Public Company Limited from the amount not over Baht 4,409,467,100 to not more than Baht 4,020,240,000 and set the date for the Extraordinary Shareholders' Meeting No. 1/2023 on November 27, 2023.

As at September 30, 2023, the associated company was still unable to settle payment for the special state benefits installment 1 - 6 of Baht 3,412 million, including the penalty fee at the rate of 15% per annum as the associated company is in the process of procuring additional funding sources in term of both calling for capital increase from the existing shareholders of the associated company and recruiting the new potential investors. The associated company has suspended the mine construction project temporary. And during the year 2022, the associated company had been sued from the parties on the breach of agreement by claiming compensation for damages and interest with the capital amount Baht 3,971 million. Which is under consideration of the Court. The management of the associated company has recorded the provisions in the full amount.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)**  
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11.2 Share of Profit (loss)

During the three-month and nine-month periods ended September 30, 2023 and 2022, the Company has recognised its share of profit (loss) from investments in associate in the consolidated financial statements as follows:

Company's name	In Thousand Baht			
	Share of profit (loss) from investments in associated company		Share of other comprehensive income from investments in associated company	
	For the three-month periods ended September 30,			
	2023	2022	2023	2022
TRC Utility Company Limited	(5,034)	-	-	-
ASEAN Potash Chaiyaphum Public Company Limited	-	-	-	-
Total	(5,034)	-	-	-

  

Company's name	In Thousand Baht			
	Share of profit (loss) from investments in associated company		Share of other comprehensive income from investments in associated company	
	For the nine-month periods ended September 30,			
	2023	2022	2023	2022
TRC Utility Company Limited	(5,034)	-	-	-
ASEAN Potash Chaiyaphum Public Company Limited	(113,304)	-	-	-
Total	(118,338)	-	-	-

During the three-month and nine-month period ended September 30, 2023 the Company had recognized share of loss from investment in ASEAN Potash Chaiphum Public Company Limited in the consolidated financial statements equal to the cost price according to the shareholding proportion of the subsidiaries as the share of loss in that ASEAN Potash Chaiphum Public Company Limited has the value equal to the value of the interest of the ASEAN Potash Chaiphum Public Company Limited. The Company did not guarantee for the debt obligation of the associated company.

During the three-month and nine-month periods ended September 30, 2022, the Company has stop recognised its share of loss from investments in ASEAN Potash Chaiphum Public Company Limited in the consolidated financial statements as the share of loss in that ASEAN Potash Chaiphum Public Company Limited has the value equal to the value of the interest of the ASEAN Potash Chaiphum Public Company Limited. The Company did not guarantee for the debt obligation of the associated company.

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)**

**SEPTEMBER 30, 2023**

**12. INVESTMENTS IN JOINT VENTURES**

**12.1 Details of joint ventures**

Investments in joint ventures in the consolidated financial statements which use the equity method are as follows:

Company's name	Nature of business	Consolidated financial statements					
		Shareholding percentage(%)		Cost		Carrying amounts based on	
				(In Thousand Baht)		equity method	
						(In Thousand Baht)	
		As at	As at	As at	As at	As at	As at
		September	December	September	December	September	December
		30, 2023	31, 2022	30, 2023	31, 2022	30, 2023	31, 2022
<u>Held by the Company</u>							
Sinopec-TRC Joint Venture	Construction service	30	30	2,376	2,376	2,376	2,376
AT Energy Solution Company Limited	Energy production and distribution	50	50	100,000	100,000	87,905	90,334
TRC Utility Company Limited	To produce and distribute tap water	-	50	-	12,999	-	15,238
<u>Held by Sahakarn Wisavakorn Company Limited</u>							
SH Crossing Company Limited	Construction service	51	51	20,400	20,400	13,356	15,225
Sahakarn Underground Joint Venture	Construction service	50	50	200	200	-	-
<u>Held by Olive Technology Company Limited</u>							
XSENSE - OLIVE Joint Venture	Data management and processing	40	40	40	40	1,060	818
EXPRESS WORLD TRACKING Joint Venture	Data management and processing	-	30	-	300	-	-
Total				123,016	136,315	104,697	123,991

Investments in joint ventures in the separate financial statements which use the cost method are as follows:

Company's name	Nature of business	Separate financial statements			
		Shareholding percentage (%)		Cost (In Thousand Baht)	
		As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022
Sinopec-TRC Joint Venture	Construction service	30	30	2,376	2,376
AT Energy Solution Company Limited	Energy production and distribution	50	50	100,000	100,000
TRC Utility Company Limited	To produce and distribute tap water	-	50	-	12,999
Total				102,376	115,375

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)**  
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TRC Utility Company Limited

According to the Extraordinary Shareholders' Meeting No.1/2023 held on July 13, 2023, it was approved to reduce the registered capital of the Company from Baht 50,000,000 to Baht 12,500,000 divided into 500,000 shares by reducing the par value per share Baht 25 and to increase the registered capital Baht 18,750,000 by issuing 750,000 ordinary shares at the par value of Baht 25. As a result, the Company's new registered capital is Baht 31,250,000 divided into 1,250,000 shares at the par value of Baht 25.

TRC Construction Public Company Limited had a resolution to approve the waiver of partial capital increase ordinary shares purchase of TRC Utility Company Limited in the amount 125,000 shares of the number of ordinary shares that rights are granted to S Group AEC (Thailand) Company Limited as a new investor.

From the said transaction, the shareholding percentage of the company has changed from 50 percent to 40 percent of the total number of ordinary shares in TRC Utility Company Limited. Along with the agreement in the joint venture agreement, the Board of Directors of TRC Utility Company Limited, the Board of Directors formed through an appointment, totaling 5 persons, each contracting party consists of TRC Construction Public Company Limited, not more than 2 persons, S Group AEC (Thailand) Company Limited, not more than 2 persons, and Planet Utility Company Limited, not more than 1 person, and the conditions of the resolution of the board meeting must receive the affirmative vote from the directors of at least 3 out of 5 directors. The Company has classified the investment in TRC Utilities Company Limited as investment in associate and recognized the difference arising from the reduction in shareholding proportion under the account of administrative expenses shown in the statement of comprehensive income for the period in the consolidated financial statements in the amount of Baht 723,978.26.

EXPRESS WORLD TRACKING Joint Venture

On February 23, 2023, Olive Technology Company Limited (the subsidiary) received the letter from EXPRESS WORLD TRACKING Joint Venture to call for the investment at amount of Baht 30 million whose proportion was represented 30 percent or Baht 9 million, the due date was within March 10, 2023. On March 15, 2023, then, it received the letter for additional call for the investment at amount of Baht 90 million whose proportion was represented 30 percent or Baht 27 million, the due date was within March 17, 2023. Including the called-for investment in proportion to the subsidiary in the amount of Baht 36 million. And on April 24, 2023, the subsidiary had paid a partial investment amount of Baht 5 million causing the subsidiary to have obligation to pay investment in the joint venture in the amount of Baht 31 million.

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

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**SEPTEMBER 30, 2023**

Later, on May 16, 2023, Olive Technology Company Limited (the subsidiary) signed on the addendum to the EXPRESS WORLD TRACKING Joint Venture agreement to change the investment proportion in the joint venture from 30 percent to 4.17 percent or amount of Baht 5,000,000 of the investment in joint venture to Baht 120,000,000.

From the said transaction, the shareholding percentage of the subsidiary has decreased. Along with the EXPRESS WORLD TRACKING Joint Venture agreement, the party, agreed to change the quorum and resolution of the Board of Directors of the joint venture. The quorum of the joint venture must have the representatives of the parties joining the meeting not less than 2 parties combined at least 3 persons. The conditions of the resolution of the meeting must receive the majority votes. The Company has classified the investment in EXPRESS WORLD TRACKING Joint Venture as other non-current financial assets and recognized the difference arising from the reduction in shareholding proportion under the account of administrative expenses shown in the statement of comprehensive income for the period in the consolidated financial statements in the amount of Baht 2,316,454.94.

**12.2 Share of profit (loss)**

During the three-month and nine-month periods ended September 30, 2023 and 2022, the Company has recognised its share of profit (loss) from investments in joint ventures in the consolidated financial statements as follows:

Company's name	In Thousand Baht			
	Share of profit (loss) from investments in joint ventures		Share of other comprehensive income from investments in joint ventures	
	For the three-month periods ended September 30,			
	2023	2022	2023	2022
SH Crossings Company Limited	(735)	(570)	-	-
AT Energy Solution Company Limited	(585)	(1,186)	(36)	194
Sahakarn Underground Joint Venture	-	(29)	-	-
TRC Utility Company Limited	354	(146)	-	-
XSENSE - OLIVE Joint Venture	130	86	-	-
EXPRESS WORLD TRACKING				
Joint Venture	-	(5)	-	-
Total	(836)	(1,850)	(36)	194



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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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Company's name	In Thousand Baht			
	Share of profit (loss) from investments in joint ventures		Share of other comprehensive income from investments in joint ventures	
	For the nine-month periods ended September 30,			
	2023	2022	2023	2022
SH Crossings Company Limited	(1,869)	(1,717)	-	-
AT Energy Solution Company Limited	(2,544)	(9,288)	115	222
Sahakarn Underground Joint Venture	-	949	-	-
TRC Utility Company Limited	1,382	(195)	-	-
XSENSE - OLIVE Joint Venture	242	86	-	-
EXPRESS WORLD TRACKING Joint Venture	2,616	(300)	-	-
Total	(173)	(10,465)	115	222

**13. PROPERTY, PLANT AND EQUIPMENT**

Movements of the property, plant and equipment account during the nine-month period ended September 30, 2023 are summarised below.

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Net book value as at January 1, 2023	571,987	547,389
Acquisitions during the period - at cost	9,530	5,724
Disposal during the period - net book value at disposal date	-	-
Write - off during the period - net book value at write - off date	(204)	(39)
Depreciation for the period	<u>(42,142)</u>	<u>(40,430)</u>
Net book value as at September 30, 2023	<u>539,171</u>	<u>512,644</u>

As at September 30, 2023 and December 31, 2022, the Company has mortgaged land which has book value amounting to Baht 100 million with banks to be collateral against credit facilities received from the banks to the detail of Note 15 and 23.4.

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**14. RIGHT-OF-USE ASSETS**

Movements of the right-of-use assets account during the nine-month period ended September 30, 2023 are summarized below.

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Net book value as January 1, 2023	14,673	12,970
Increase during period	16,940	5,308
Decrease from cancell of lease agreement	-	-
Depreciation for the period	(6,410)	(4,652)
Net book value as at September 30, 2023	25,203	13,626

**15. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS**

Bank overdrafts and short-term loans from financial institutions are as follows:

	Interest rate (% per annum)	In Thousand Baht	
		Consolidated financial statements	
		As at September 30, 2023	As at December 31, 2022
Bank overdrafts	7.20% - 8.20% (2022 : 5.84% - 7.60%)	32,302	13,458
Trusts receipts	6.02% - 7.20% (2022 : 4.47% - 5.97%)	159,206	171,804
Promissory note	3.00% - 6.02% (2022 : 3.00% - 6.00%)	630,108	754,647
Total		821,616	939,909

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		In Thousand Baht	
		Separate financial statements	
	Interest rate (% per annum)	As at September 30, 2023	As at December 31, 2022
Bank overdrafts	7.20% - 7.34% (2022 : 5.84% - 6.60%)	19,870	6,333
Trusts receipts	6.02% (2022 : 4.47% - 5.97%)	26,826	39,370
Promissory note	5.00% - 6.02% (2022 : 3.47% - 5.00%)	223,500	261,700
Total		270,196	307,403

**16. TRADE AND OTHER CURRENT PAYABLES**

Trade and other current payables were as follows:

		In Thousand Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022
Trade accounts payable - related parties		31,592	41,357	26,063	27,219
Trade accounts payable - unrelated parties		785,709	653,128	305,119	289,576
Advances from related parties		40	340	5,870	8,322
Fixed assets payable		3,057	2,057	2,964	1,994
Accrued interest expense - person or related parties		14,105	3,391	61,886	45,554
Accrued expenses - unrelated parties		62,362	88,646	32,114	34,551
Total Trade and other current payables		896,865	788,919	434,016	407,216

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**17. PROVISION FOR LIABILITIES UNDER CONSTRUCTION PROJECTS**

Provision for liabilities under construction projects are as follows:

	In Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	Warranties	Loss on construction	Total	Warranties	Loss on construction	Total
As at January 1, 2023	3,970	60,516	64,486	3,000	58,463	61,463
Increase during the period	1,500	-	1,500	1,500	-	1,500
Decrease from occurrence of actual expense	-	(30,408)	(30,408)	-	(29,232)	(29,232)
Reversal of provisions	(2,000)	(29,231)	(31,231)	(2,000)	(29,231)	(31,231)
As at September 30, 2023	<u>3,470</u>	<u>877</u>	<u>4,347</u>	<u>2,500</u>	<u>-</u>	<u>2,500</u>

**18. LEASE LIABILITIES**

The carrying amounts of lease liabilities and the movement for the nine-month period ended September 30, 2023 are presented below.

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
As at January 1, 2023	18,183	14,278
Addition	16,940	5,308
Accretion of interest	801	555
Payments	(10,606)	(5,716)
Decrease from cancell of lease agreement	-	-
As at September 30, 2023	<u>25,318</u>	<u>14,425</u>
<u>Less:</u> current portion	<u>(11,226)</u>	<u>(7,407)</u>
Lease liabilities - net of current portion	<u>14,092</u>	<u>7,018</u>

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The following are the amounts recognized in profit or loss:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the three-month period ended September 30,		For the three-month period ended September 30,	
	2023	2022	2023	2022
Depreciation of right-of-use assets	2,183	2,830	1,465	1,737
Interest expense on lease liabilities	374	216	192	164
Expense relating to short-term lease	1,770	2,066	1,083	1,559
Leases of low - value assets	226	201	170	39
Total	4,553	5,313	2,910	3,499

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the nine-month period ended September 30,		For the nine-month period ended September 30,	
	2023	2022	2023	2022
Depreciation of right-of-use assets	6,410	9,014	4,652	5,053
Interest expense on lease liabilities	801	740	555	519
Expense relating to short-term lease	5,882	5,052	3,967	3,795
Leases of low - value assets	353	730	233	116
Total	13,446	15,536	9,407	9,483

For the nine-month period ended September 30, 2023 and 2022, the Group had total cash outflows for leases of Baht 17 million and Baht 16 million, respectively (the separate: Baht 10 million and Baht 10 million, respectively).

**19. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS**

19.1 Movements of the Non-current provisions for employee benefits account are as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at September 30, 2023 (For the nine-month)	As at December 31, 2022 (For the year)	As at September 30, 2023 (For the nine-month)	As at December 31, 2022 (For the year)
Non-current provisions for employee benefits, beginning	38,705	61,266	27,188	37,049
Gain estimation over actuarial principles	-	(17,960)	-	(7,275)
Current service cost and Interest cost	6,884	7,885	5,164	5,865
Non-current provisions for employee benefits paid	(112)	(12,486)	(112)	(8,451)
Non-current provisions for employee benefits, ending	45,477	38,705	32,240	27,188

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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- 19.2 Revenues and expenses recognized in the statement of comprehensive income for the three-month and nine-month periods ended September 30, 2023 and 2022 are as follows:-

In Thousand Baht				
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the three-month periods		For the three-month periods	
	ended September 30,		ended September 30,	
	2023	2022	2023	2022
<b>The statement of comprehensive income</b>				
<b>Recognized in profit or loss</b>				
Cost of construction services	1,172	1,583	979	1,130
Administrative expenses	1,161	1,722	739	1,274
Total	2,333	3,305	1,718	2,404

  

In Thousand Baht				
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the nine-month periods		For the nine-month periods	
	ended September 30,		ended September 30,	
	2023	2022	2023	2022
<b>The statement of comprehensive income</b>				
<b>Recognized in profit or loss</b>				
Cost of construction services	3,471	4,719	2,794	3,477
Administrative expenses	3,413	5,669	2,370	4,208
Total	6,884	10,388	5,164	7,685

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**20. INCOME TAX EXPENSE (INCOME)**

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and nine-month periods ended September 30, 2023 and 2022 are made up as follows:

	In Thousand Baht			
	For the three-month periods ended September 30,			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Current income tax:				
Interim corporate income tax charge	215	770	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	5,608	1,885	5,795	592
Income tax (income) expenses reported in the statement of income	<u>5,823</u>	<u>2,655</u>	<u>5,795</u>	<u>592</u>

  

	In Thousand Baht			
	For the nine-month periods ended September 30,			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Current income tax:				
Interim corporate income tax charge	875	1,774	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	10,746	3,230	10,924	(156)
Income tax (income) expenses reported in the statement of income	<u>11,621</u>	<u>5,004</u>	<u>10,924</u>	<u>(156)</u>

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**21. EARNINGS PER SHARE**

Basic earnings (loss) per share is calculated by dividing profit (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

The following table sets forth the computation of basic earnings (loss) per share:

	For the three-month periods ended September 30,			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) for the period (Thousand Baht)	(25,562)	(53,697)	(42,549)	(39,158)
Weighted average number of ordinary shares (Thousand shares)	9,587,147	9,587,147	9,587,147	9,587,147
Earnings per share (Baht per share)	(0.0027)	(0.0056)	(0.0044)	(0.0041)

  

	For the nine-month periods ended September 30,			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) for the period (Thousand Baht)	(206,148)	(97,208)	(238,598)	(95,797)
Weighted average number of ordinary shares (Thousand shares)	9,587,147	9,587,147	9,587,147	9,587,147
Earnings per share (Baht per share)	(0.0215)	(0.0101)	(0.0249)	(0.0100)



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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**22. SEGMENT INFORMATION**

The Group are organised into business units based on its products and services. During the current period, the Group have not changed the organisation of their reportable segments.

The following tables present revenue and profit information regarding the Group operating segments in the consolidated financial statements for the three-month and nine-month periods ended September 30, 2023 and 2022, respectively.

	In Thousand Baht						
	For the three-month periods ended September 30, 2023						
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenue from external customers	90,001	-	397,171	93,609	580,781	-	580,781
Depreciation	(5,429)	-	(4,876)	(6,288)	(16,593)	366	(16,227)
Administrative expenses	(14,116)	-	(24,055)	(18,163)	(56,334)	(1,278)	(57,612)
Segment profit (loss)	(12,086)	-	4,254	(17,027)	(24,859)	5,391	(19,468)
Other income							24,666
Interest revenue							179
Financial cost							(19,246)
Share of profit (loss) from investments in Associate							(5,034)
Share of profit (loss) from investments in joint Venture							(836)
Profit (loss) before income tax expenses							(19,739)
Income tax income (expense)							(5,823)
Profit (loss) the period							(25,562)

	In Thousand Baht						
	For the three-month periods ended September 30, 2022						
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenue from external customers	257,083	-	559,921	73,108	890,112	-	890,112
Depreciation	(7,879)	-	(4,860)	(4,768)	(17,507)	366	(17,141)
Administrative expenses	(37,575)	-	(26,236)	(24,744)	(88,555)	1,087	(87,468)
Segment profit (loss)	(11,430)	-	2,815	(6,672)	(15,287)	5,957	(9,330)
Other income							6,974
Interest revenue							248
Loss from business dissolution in the subsidiary							(36,845)
Financial cost							(10,642)
Share of profit (loss) from investments in joint Venture							(1,850)
Profit (loss) before income tax expenses							(51,445)
Income tax income (expense)							(2,655)
Profit (loss) the period							(54,100)

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)**

**SEPTEMBER 30, 2023**

	In Thousand Baht						
	For the nine-month periods ended September 30, 2023						
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenue from external customers	421,526	-	1,060,514	260,880	1,742,920	(447)	1,742,473
Depreciation	(21,391)	-	(12,463)	(15,785)	(49,639)	1,087	(48,552)
Administrative expenses	(48,060)	-	(68,553)	(38,654)	(155,267)	(240)	(155,507)
Segment profit (loss)	(43,095)	-	(57,573)	12,544	(88,124)	18,938	(69,186)
Other income							41,464
Interest revenue							760
Financial cost							(49,054)
Share of profit (loss) from investments in Associate							(118,338)
Share of profit (loss) from investments in joint Venture							(173)
Profit (loss) before income tax expenses							(194,527)
Income tax income (expense)							(11,621)
Profit (loss) the period							(206,148)

	In Thousand Baht						
	For the nine-month periods ended September 30, 2022						
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenue from external customers	549,664	-	1,770,269	303,390	2,623,323	-	2,623,323
Depreciation	(22,003)	-	(14,101)	(15,776)	(51,880)	1,087	(50,793)
Administrative expenses	(73,501)	-	(69,713)	(53,724)	(196,938)	(101)	(197,039)
Segment profit (loss)	(32,564)	-	(4,975)	(18,137)	(55,676)	14,466	(41,210)
Other income							25,629
Interest revenue							848
Loss from business dissolution in the subsidiary							(36,845)
Financial cost							(30,754)
Share of profit (loss) from investments in joint Venture							(10,465)
Profit (loss) before income tax expenses							(92,797)
Income tax income (expense)							(5,004)
Profit (loss) the period							(97,801)

The Group uses the transfer pricing basis as described in Note 4.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)**  
**SEPTEMBER 30, 2023**

**23. COMMITMENTS AND CONTINGENT LIABILITIES**

**23.1 Purchase construction materials and subcontracted work commitments**

As at September 30, 2023, the Group have outstanding commitments of Baht 3,465 million and USD 1 million, in respect of purchase construction materials and subcontracted work (the Company only: Baht 245 million and USD 1 million) (December 31, 2022 : Baht 3,734 million and USD 1 million, (the Company only: Baht 391 million and USD 1 million)).

**23.2 Operating lease commitments**

The Group have entered into lease agreements in respect of the lease of land, machines, motor vehicles and equipment.

Future minimum lease payments required under these non-cancellable operating lease contracts were as follows.

In Million Baht				
Consolidated financial statements		Separate financial statements		
As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022	
Payable :				
In up to 1 year	3	4	2	2

**23.3 Service agreement commitments**

The Group have entered into service agreements in respect of the consultant and security.

Future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

In Million Baht				
Consolidated financial statements		Separate financial statements		
As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022	
Payable :				
In up to 1 year	1	1	1	1

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)**  
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**23.4 Bank guarantees**

As at September 30, 2023 and December 31, 2022, bank guarantees issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business were as follows.

	In Million Baht			
	Consolidated financial statements		Separate financial statements	
	As at September	As at December	As at September	As at December
	30, 2023	31, 2022	30, 2023	31, 2022
Guarantee of construction contract				
and bidding	1,057	1,330	269	424
Guarantee of advance payment bond				
and retention	1,435	1,511	282	192
Guarantee of others	131	153	88	108
Total	2,623	2,994	639	724

As at September 30, 2023, the Group had the obligations from related parties to use the letter of guarantee of the Group amounted Baht 321 million (December 31, 2022 : Baht 341 million).

**23.5 Guarantees**

- (a) As at September 30, 2023, the Company has commitments from guarantee of credit facilities of the subsidiary amounting to Baht 977 million (December 31, 2022 : Baht 985 million).
- (b) As at September 30, 2023, the Group have commitment from cross guarantee of credit facilities of the Group amounting to Baht 3,230 million (December 31, 2022 : Baht 3,230 million).

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)**  
**SEPTEMBER 30, 2023**

**24. LITIGATIONS**

As at September 30, 2023, the Group was sued claiming damage on the breach of hiring agreement in total 14 cases in the compensation amount of Baht 133 million (the Company only Baht 26 million), the case is under consideration of the Court. The Group cannot assess the period of cash paid for damages (if any) from such claim. The management of the Group believes such case will not cause significant damage to the Group. The information to fight the case is adequate and stands a chance to win the case. However, the management of the Group have recorded the provisions of Baht 90 million (the Company only Baht 25 million) in the interim financial statements.

Significant changes in the lawsuits are as follows :

	Amount (Million Baht)	Status of the Cases	Remark
<u>The Company</u>			
Case 1	20	The case is final. (The Company : plaintiff)	The Company had filed the litigation against the government agency and others to reclaim the bank guarantee and repay the damages. Since the government agency had issued the letter, dated December 6, 2011, to the bank to enforce the bank guarantee, which the Company had submitted to the government agency in accordance with the trade proposal for 20 million Baht due to their consideration that the Company could not fulfil such proposal. The Administrative Court ordered the government agency to return the bank guarantee to the Company and the Company to repay the damage for 10 million Baht with interest at 7.5% p.a. to the government agency. The government agency had appealed to the court. On July 3, 2023, the Supreme Administrative Court ordered the Company to repay the principal of Baht 10.15 million along with the interest at 7.5 percent of the principal of Baht 10 million to the accused person from the suing date (December 28, 2011) to April 10, 2021 and 5 percent per annum of the principal Baht 10 million from April 11, 2023 onwards. On August 25, 2023 the Company paid the amount of the sum with interest to the defendant in total Baht 18.30 million.

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)**

**SEPTEMBER 30, 2023**

	Amount (Million Baht)	Status of the Cases	Remark
<u>The Company</u> (Cont.)			
Case 2	118	The case is final. (The Company : claimant)	The Company sued the counterparty to pay the fee and damage due to breach of hiring contract on July 30, 2021 in the amount of Baht 121.18 million with interest at 7.5% p.a. On September 16, 2021, the counterparty filed an objection to counterclaim Baht 232.14 million. On December 22, 2021, the appointment and dispute topic were set. Later, the dispute date was postponed on March 1, 2022 and the first witness investigation on July 26, 2022. Due to the withdrawal of the arbitrator, the witness investigation date was cancelled. Later, name list was proposed to appoint a new arbitrator committee. On September 20, 2022 it was scheduled to set a new witness investigation time frame during February 13 - 20, 2023. The witness had been investigated. On April 21, 2023 a statement was submitted to dismiss the case to the arbitrator. On June 30, 2023 the arbitrator ordered the counterparty to compensate the company in the amount of Baht 119 million and the company to compensate the counterparty Baht 61 million and the counterparty to compensate the company on the difference of Baht 58 million. The arbitrator ordered the counterparty to pay the company within 30 days from the arbitration. On July 26, 2023 both parties have an agreement and already made payment.
Case 3	24.45	Under the plaintiff and dependant's witness invetisation (The Company : plaintiff)	On June 13, 2023 the project contractor filed to the court on the breach of hire of work agreement and demanded the company to pay debt Baht 24.45 million along with the interest rate 5 percent per annum of the principal Baht 23.77 million from the suing date until the company pays to this contractor. The lawsuit is under the process of statement filing to the court. The scheduled statement date is August 24, 2023. Later, on September 4, 2023 all parties present themselves in court. The Company filed a statement and countersued the plaintiff to pay damages to the company in the amount Baht 22.31 million. The contractor has scheduled to negotiate with the company. The court permitted to postpone the mediation to reach agreement and settlement of issues on October 9, 2023. Later, both parties could not agree. The court scheduled the plaintiff's witness investigation on February 21, 2024 and defendant's witness investigation on February 22 - 23, 2024. The case is under the plaintiff and dependant's witness invetisation. The Company recorded such liabilities in the interim financial statements. The Company's management believes the information in fighting the case is adequate and stands a chance to win the case.

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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)**  
**SEPTEMBER 30, 2023**

	Amount (Million Baht)	Status of the Cases	Remark
<u>The Subsidiary</u>			
Case 1	28.6	Under the Supreme Court's consideration (The Subsidiary : plaintiff)	The Subsidiary had filed the litigation against 2 government agencies to repay the additional works, expenses and damage for totally of 28.6 million Baht due to the breach of contract. On September 25, 2020, the Civil Court adjudged the government agencies to repay the Subsidiary for 4.4 million Baht with interest at 7.5% p.a. and also repay the court and lawyer fees. On January 22, 2021, the Subsidiary had appealed to the Appeal Court for the additional damage compensation. On November 11, 2021, the Appeal Court adjudged to dismiss 1 of 2 government agencies. The court fees of both Civil Court and Appeal Court were waived and maintained the verdict of the Civil Court. On January 10, 2022, the Subsidiary had submitted the claim to the Supreme Court. On April 18, 2022, the subsidiary had filed to the permission for the petition. On January 16, 2023, the Supreme Court ordered to permit accepting the petition for consideration and have the government agency defendant 2 corrected the petition within 15 days from January 16, 2023. At presently, the case is under Supreme Court's consideration.
Case 2	14.15	Awaiting the judgment of the Appeal Court (The Subsidiary : objector)	<p>The Subcontractor of the construction project had filed the litigation against the Subsidiary for claims as per the subcontractor contract for 14.15 million Baht (VAT included) with interest at 7.5% p.a. from the claiming date till the proposed date for total dispute amount 16.30 million Baht. This case was under the consideration of the Arbitrators. The Arbitrators determined the judgement day on March 10, 2022 for subsidiary to pay 9.62 million Baht with interest rate 3% from the judgment date with the responsibility for expenses incurred as the subsidiary did not agree with the judgment.</p> <p>The subsidiary proceeded to withdraw the judgment of the arbitrator to the Central Intellectual Property and International Trade Court. On June 24, 2022, the litigant filed a petition to the court to enforce the final judgment of arbitrator to the Civil Court and requested the subsidiary pay the sum in accordance with the arbitrator's judgment. The Court ordered to investigate the petition on August 30, 2022. On July 12, 2022, the subsidiary filed a petition to the Civil Court to postpone the case consideration as the final judgment of the arbitrator is under the process to withdraw the case by the Central Intellectual Property and International Trade Court. On August 8, 2022, the court has scheduled the hearing for the order to temporarily wait for the court judgment of the case. As the petitioner has filed an objection to court to judge whether the case is governed by the Intellectual Property and International Trade Court. Later, to temporarily wait for court judgment and it was proposed to the Appeal Court of the special case for judgment.</p>

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)**  
**SEPTEMBER 30, 2023**

	Amount (Million Baht)	Status of the Cases	Remark
<u>The Subsidiary</u> (Cont.)			
Case 2 (Cont.)			<p>On October 17, 2022, the case was judged by the President of the Special Court of Appeal and proposed to transfer the case to the Civil Court. On December 8, 2022, the court permitted the subsidiary to appoint a lawyer. Later, on December 26, 2022, the witness investigation of 2 parties took place between the petitioner and the subsidiary. On February 11, 2023 the court has investigated the witness and petition of both parties. On March 24, 2023 the court ordered to enforce by the judgment of the arbitrator for the subsidiary to pay Baht 9.62 million along with the interest at 3 percent p.a. from March 10, 2022 onwards until payment is complete to the petitioner. Later, on May 24, 2023 the Subsidiary filed an appeal to the court and sent a copy of the appeal to the plaintiff. Presently, the case is under scheduling for the appeal hearing. The case is not final.</p> <p>The management of the subsidiary believes the information to fight the case is adequate and stands the chance to win the case. The subsidiary has not considered providing a provision in the interim financial statements.</p>
Case 3	66.8	<p>Pending settlement of issues and define the guidelines in taking legal action or witness investigation of the contractor.</p> <p>(The Subsidiary : defendant)</p>	<p>On January 14, 2022, the project contractor of the subsidiary filed a charge against the subsidiary on breaches of product and installation service agreement and claiming damages from the subsidiary Baht 66.88 million with interest at 15 percent per annum Baht 61.77 million from the filing date until payment is completely made to plaintiff. The court scheduled for settlement of issues and define the guidelines in taking legal action or witness investigation. On April 3, 2023 the subsidiary filed a statement and countersued such contractor. Later, on July 26, 2023 the court ordered the subsidiary and contractor to negotiate and agree on the damages. Both parties will present information to the management of each party and postpone the mediation. On August 30, 2023, both parties came to court. The plaintiff and defendant could not negotiate and reach agreement. This case is further entered into the witness investigation process.</p> <p>The case is under settlement of issues and setting guidelines of the case or plaintiff investigation, the subsidiary recorded such liabilities in the interim financial statements. The management of the subsidiary believes the information to fight the case is adequate and has the chance to win the case.</p>



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**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**25. FOREIGN CURRENCY ASSETS AND LIABILITIES**

The Group has the balances of financial assets and liabilities denominated in foreign currencies as follows :

Consolidated financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	(Thousand)		(Thousand)		(Baht per 1 foreign currency unit)	
	As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022
US Dollar	-	-	185	10	36.5583	34.5624

  

Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	(Thousand)		(Thousand)		(Baht per 1 foreign currency unit)	
	As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022	As at September 30, 2023	As at December 31, 2022
US Dollar	21	20	185	10	36.5583	34.5624

**26. AUTHORIZATION OF INTERIM FINANCIAL STATEMENTS**

These interim financial statements were authorized for issue by the Company's Board of Directors on November 10, 2023.