

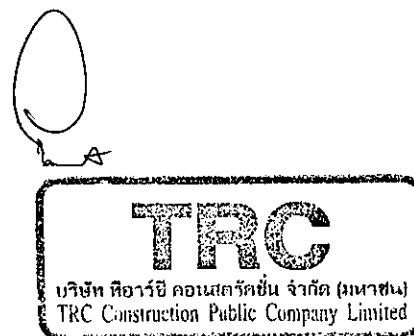
TRC Construction Public Company Limited

and its subsidiaries

Review report and interim financial statements

For the three-month and nine-month periods ended

30 September 2016



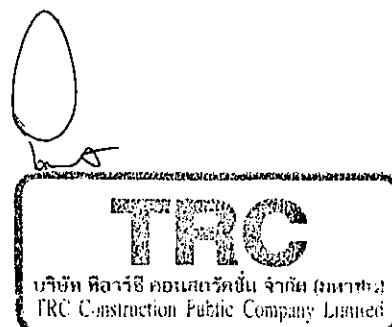
## Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of TRC Construction Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of TRC Construction Public Company Limited and its subsidiaries as at 30 September 2016, and the related consolidated statements of income and comprehensive income for the three-month and nine-month periods ended 30 September 2016, and the related consolidated statements of changes in shareholders' equity, and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of TRC Construction Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 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.





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## Conclusion

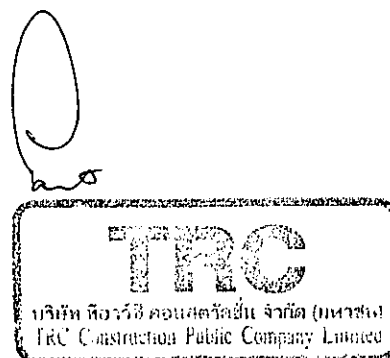
Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Bangkok: 9 November 2016



TRC Construction Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2016

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 September 2016	31 December 2015	30 September 2016	31 December 2015
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	3	227,412	1,289,428	37,737	751,701
Current investments		357	-	357	-
Trade and other receivables	2, 4	413,481	636,308	299,416	534,786
Unbilled receivable	2	1,517,644	1,023,023	1,104,571	937,258
Accounts receivable - retention under construction contracts	2	170,365	164,027	97,832	147,064
Advances paid to subcontractors under construction contracts		330,220	68,469	76,795	32,680
Construction in progress		32,838	27,151	32,838	-
Construction supplies	5	7,499	14,324	7,499	14,324
Short-term loans to related parties	2	-	-	1,309,119	498,215
Withholding tax deducted at source		27,348	36,527	416	14,417
Other current assets		39,174	56,800	23,771	35,108
<b>Total current assets</b>		<b>2,766,338</b>	<b>3,316,057</b>	<b>2,990,351</b>	<b>2,965,553</b>
<b>Non-current assets</b>					
Restricted deposits at financial institutions	6	17,589	36,342	-	3,356
Investments in subsidiaries	7	-	-	475,823	475,876
Investments in associate	8	1,337,896	-	-	-
Investments in joint ventures	9	2,376	2,376	2,376	2,376
Other long-term investments	10	-	455,226	-	-
Property, plant and equipment	11	750,060	706,701	715,571	660,583
Intangible assets		11,139	8,023	10,579	7,405
Deferred tax assets		36,776	38,419	13,974	9,773
Other non-current assets		8,368	8,728	8,266	8,653
<b>Total non-current assets</b>		<b>2,164,204</b>	<b>1,255,815</b>	<b>1,226,589</b>	<b>1,168,022</b>
<b>Total assets</b>		<b>4,930,542</b>	<b>4,571,872</b>	<b>4,216,940</b>	<b>4,133,575</b>

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



TRC Construction Public Company Limited and its subsidiaries

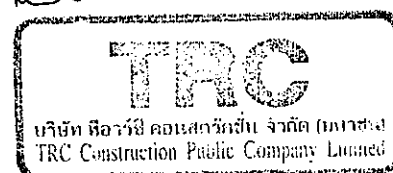
Statement of financial position (continued)

As at 30 September 2016

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities</b>				
Short-term loans from financial institutions	12	82,113	-	22,579
Trade and other payables	2, 13	513,849	552,784	411,672
Unbilled payable		723,599	967,853	482,038
Accounts payable - retention under construction contracts		71,774	37,405	28,437
Advances received from customers under construction contracts	2	429,567	320,987	159,474
Short-term loan	14	100,000	-	100,000
Short-term loans from related party	2	-	-	53,000
Provision for liabilities under construction projects	15	39,987	20,804	33,617
Current portion of debentures	16	100,000	-	100,000
Current portion of liabilities under finance lease agreements	17	12,658	12,532	8,896
Income tax payable		1,331	1,433	-
Other current liabilities		29,016	52,393	12,187
<b>Total current liabilities</b>		<b>2,103,894</b>	<b>1,966,191</b>	<b>1,359,039</b>
<b>Non-current liabilities</b>				
Debentures - net of current portion	16	200,000	100,000	200,000
Liabilities under finance lease agreements - net of current portion	17	20,472	31,072	9,520
Provision for long-term employee benefits		39,990	33,953	36,375
Provision for litigation	26.1	20,000	20,000	20,000
<b>Total non-current liabilities</b>		<b>280,462</b>	<b>185,025</b>	<b>265,895</b>
<b>Total liabilities</b>		<b>2,384,356</b>	<b>1,624,934</b>	<b>1,710,522</b>

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



TRC Construction Public Company Limited and its subsidiaries

Statement of financial position (continued)

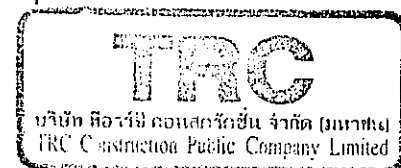
As at 30 September 2016

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>					
Share capital	18				
Registered					
5,810,987,543 ordinary shares of Baht 0.125 each					
(31 December 2015: 5,242,871,458 ordinary shares of Baht 0.125 each)		726,373	655,359	726,373	655,359
Issued and paid-up					
5,135,985,760 ordinary shares of Baht 0.125 each					
(31 December 2015: 4,522,766,096 ordinary shares of Baht 0.125 each)		641,998	565,346	641,998	565,346
Share premium	18	1,041,740	1,010,976	1,041,740	1,010,976
Capital reserve for share-based payment	19	-	10,461	-	10,461
Subscription received in advance from exercise of warrants	19	-	7,310	-	7,310
Retained earnings					
Appropriated - statutory reserve					
The Company		56,535	56,535	56,535	56,535
Subsidiary		4,108	4,108	-	-
Unappropriated		818,763	778,266	851,733	772,425
Other components of shareholders' equity		10,288	10,843	-	-
Equity attributable to owners of the Company		2,573,432	2,443,845	2,592,006	2,423,053
Non-controlling interests of the subsidiaries		(27,246)	(23,189)	-	-
<b>Total shareholders' equity</b>		<b>2,546,186</b>	<b>2,420,656</b>	<b>2,592,006</b>	<b>2,423,053</b>
<b>Total liabilities and shareholders' equity</b>		<b>4,930,542</b>	<b>4,571,872</b>	<b>4,216,940</b>	<b>4,133,575</b>

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

Directors



(Unaudited but reviewed)

## TRC Construction Public Company Limited and its subsidiaries

## Income statement

For the three-month period ended 30 September 2016

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
Revenues					
Construction services income	2	1,170,172	870,891	591,676	800,537
Interest income	2	108	2,747	16,459	2,987
Other income	2	2,278	31,624	2,034	26,903
Total revenues		1,172,558	905,262	610,169	830,427
Expenses					
Cost of construction services	2	973,803	720,700	438,125	640,660
Administrative expenses		87,635	102,890	72,641	74,168
Total expenses		1,061,438	823,590	510,766	714,828
Profit before share of loss from investment in associate, finance cost, and income tax expenses					
		111,120	81,672	99,403	115,599
Share of loss from investments in associate	8.2	(9,704)	-	-	-
Profit before finance cost and income tax expenses					
		101,416	81,672	99,403	115,599
Finance cost	2	(5,671)	(1,577)	(5,776)	(1,280)
Profit before income tax expenses					
		95,745	80,095	93,627	114,319
Income tax expenses	20	(26,179)	(18,722)	(20,016)	(22,794)
Profit for the period					
		69,566	61,373	73,611	91,525
Profit attributable to:					
Equity holders of the Company		70,243	62,934	73,611	91,525
Non-controlling interests of the subsidiaries		(677)	(1,561)		
		69,566	61,373		
					(Unit: Baht)
Earnings per share					
21					
Basic earnings per share					
Profit attributable to equity holders					
of the Company		0.014	0.013	0.014	0.019
Diluted earnings per share					
Profit attributable to equity holders					
of the Company			0.013		0.018

(Unit: Baht)

**Earnings per share** 21**Basic earnings per share**

Profit attributable to equity holders  
of the Company

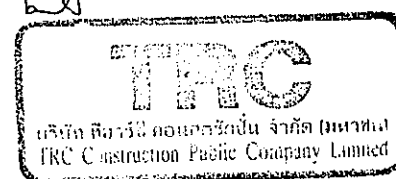
0.014 0.013 0.014 0.019

**Diluted earnings per share**

Profit attributable to equity holders  
of the Company

0.013 0.018

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



(Unaudited but reviewed)

TRC Construction Public Company Limited and its subsidiaries

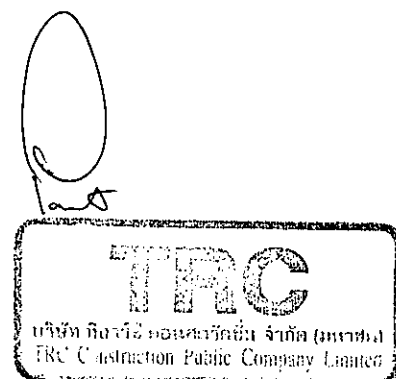
Statement of comprehensive income

For the three-month period ended 30 September 2016

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Profit for the period	69,566	61,373	73,611	91,525
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of financial statements in foreign currency	395	1,912	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	395	1,912	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Actuarial loss on employee benefit	-	-	-	-
Income tax effect	-	-	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	-	-	-	-
Other comprehensive income for the period	395	1,912	-	-
Total comprehensive income for the period	69,961	63,285	73,611	91,525
Total comprehensive income attributable to:				
Equity holders of the Company	70,191	66,086	73,611	91,525
Non-controlling interests of the subsidiaries	(230)	(2,801)		
	69,961	63,285		

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





(Unaudited but reviewed)

## TRC Construction Public Company Limited and its subsidiaries

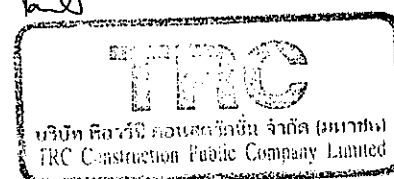
## Income statement

For the nine-month period ended 30 September 2016

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
Revenues					
Construction services income	2	2,707,762	2,572,236	1,696,731	2,415,179
Interest income	2	2,863	7,093	46,996	8,307
Other income	2	13,580	60,990	13,037	42,300
Total revenues		2,724,205	2,640,319	1,756,764	2,465,786
Expenses					
Cost of construction services	2	2,233,999	2,127,308	1,298,633	1,907,059
Administrative expenses		240,184	257,941	198,124	200,994
Total expenses		2,474,183	2,385,249	1,496,757	2,108,053
Profit before share of loss from investment in associate, finance cost, and income tax expenses					
		250,022	255,070	260,007	357,733
Share of loss from investments in associate	8.2	(23,378)	-	-	-
Profit before finance cost and income tax expenses					
		226,644	255,070	260,007	357,733
Finance cost	2	(12,142)	(3,062)	(11,795)	(2,477)
Profit before income tax expenses		214,502	252,008	248,212	355,256
Income tax expenses	20	(62,340)	(49,306)	(51,965)	(72,773)
Profit for the period		152,162	202,702	196,247	282,483
Profit attributable to:					
Equity holders of the Company		157,436	206,942	196,247	282,483
Non-controlling interests of the subsidiaries		(5,274)	(4,240)		
		152,162	202,702		
(Unit: Baht)					
Earnings per share					
21					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.031	0.043	0.038	0.059
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.031	0.043	0.038	0.058

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



(Unaudited but reviewed)

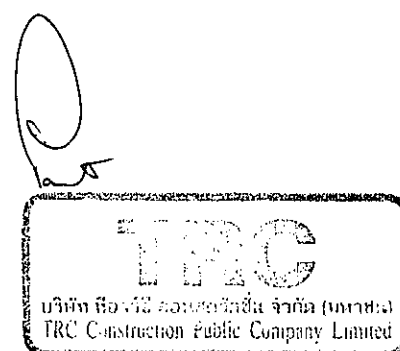
TRC Construction Public Company Limited and its subsidiaries

Statement of comprehensive income

For the nine-month period ended 30 September 2016

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Profit for the period	152,162	202,702	196,247	282,483
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of financial statements in foreign currency	662	3,204	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	662	3,204	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Actuarial loss on employee benefit	-	(1,841)	-	(1,105)
Income tax effect	-	368	-	221
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	-	(1,473)	-	(884)
Other comprehensive income for the period	662	1,731	-	(884)
Total comprehensive income for the period	152,824	204,433	196,247	281,599
Total comprehensive income attributable to:				
Equity holders of the Company	156,881	210,286	196,247	281,599
Non-controlling interests of the subsidiaries	(4,057)	(5,853)		
	152,824	204,433		

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



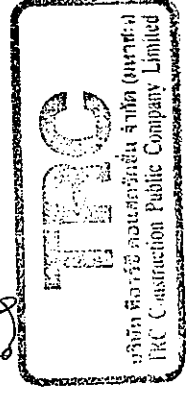
(Unaudited but reviewed)

TRC Construction Public Company Limited and its subsidiaries  
Statement of changes in shareholders' equity  
For the nine-month period ended 30 September 2016

(Unit: Thousand Baht)

Consolidated financial statements												
Equity attributable to the parent's shareholders												
Other components of equity												
Other comprehensive income												
Exchange differences												
on translation of financial statements in foreign currency												
Deficit on revaluation of investment in subsidiaries												
Total other components of shareholders' equity												
Total equity attributable to shareholders of the Company												
Equity attributable to non-controlling interests of the subsidiaries												
Total shareholders' equity												
Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Subscription received in advance from exercise of warrants	The Company	Subsidiary	Unappropriated					
Balance as at 1 January 2015	411,307	280,461	25,957	10,723	41,131	2,644	605,991	8,544	(2,956)	5,588	1,383,802	1,377,710
Profit for the period	-	-	-	-	-	-	206,942	-	-	-	206,942	202,702
Other comprehensive income for the period	-	-	-	-	-	-	(1,473)	4,817	-	4,817	3,344	1,731
Total comprehensive income for the period	-	-	-	-	-	-	205,469	4,817	-	4,817	210,286	204,433
Increase in capital	41,250	671,880	-	-	-	-	-	-	-	-	713,130	713,130
Increase in capital from stock dividend	103,817	-	-	-	-	-	(103,817)	-	-	-	-	-
Increase in capital from exercise of warrants	6,526	44,480	(14,567)	(36,439)	-	-	-	-	-	-	-	-
Subscription received in advance from exercise of warrants	-	-	-	37,574	-	-	-	-	-	-	37,574	37,574
Share-based payment transactions	-	-	3,727	-	-	-	(52)	-	-	-	3,727	3,727
Appropriated to statutory reserve	-	-	-	-	-	52	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	(11,535)	-	-	-	(11,535)	(11,535)
Balance as at 30 September 2015	562,900	998,821	15,117	11,858	41,131	2,696	696,056	13,361	(2,956)	10,405	2,336,984	2,325,039
Balance as at 1 January 2016	585,346	1,010,976	10,461	7,310	56,535	4,108	778,266	13,789	(2,956)	10,843	2,443,845	2,420,656
Profit for the period	-	-	-	-	-	-	157,436	(555)	-	(555)	157,436	152,162
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	(555)	662
Total comprehensive income for the period	-	-	-	-	-	-	157,436	(555)	-	(555)	156,881	152,824
Increase in capital from stock dividend	71,304	-	-	-	-	-	(71,304)	-	-	-	-	-
Increase in capital from exercise of warrants	5,348	30,764	(10,323)	(25,789)	-	-	-	-	-	-	-	-
Subscription received in advance from exercise of warrants	-	-	-	18,479	-	-	-	-	-	-	18,479	18,479
Share-based payment transactions	-	-	506	-	-	-	-	-	-	-	506	506
Adjusted from cancelled warrants that breach the condition	-	-	(644)	-	-	-	-	-	-	-	(644)	(644)
Dividend paid	-	-	-	-	-	-	(45,635)	-	-	-	(45,635)	(45,635)
Balance as at 30 September 2016	641,998	1,041,740	-	-	56,535	4,108	818,763	13,244	(2,956)	10,288	2,573,432	2,546,186

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

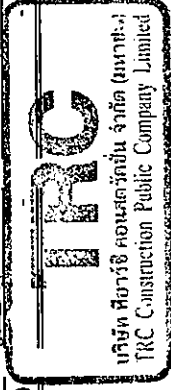


(Unaudited but reviewed)

TRC Construction Public Company Limited and its subsidiaries  
Statement of changes in shareholders' equity  
For the nine-month period ended 30 September 2016

(Unit: Thousand Baht)

		Separate financial statements					
Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Subscription received in advance from exercise of warrants	Retained earnings		Total shareholders' equity
					Appropriated - Statutory reserve	Unappropriated	
Balance as at 1 January 2015	411,307	280,461	25,957	10,723	41,131	504,938	1,274,517
Profit for the period	-	-	-	-	-	282,483	282,483
Other comprehensive income for the period	-	-	-	-	-	(884)	(884)
Total comprehensive income for the period	-	-	-	-	-	281,599	281,599
Increase in capital	41,250	671,880	-	-	-	-	713,130
Increase in capital from stock dividend	103,817	-	-	-	-	(103,817)	-
Increase in capital from exercise of warrants	6,526	44,480	(14,567)	(36,439)	-	-	-
Subscription received in advance from exercise of warrants	-	-	-	37,574	-	-	37,574
Share-based payment transaction	-	-	3,727	-	-	-	3,727
Dividend paid	-	-	-	-	-	(11,535)	(11,535)
Balance as at 30 September 2015	562,900	996,821	15,117	11,858	41,131	671,185	2,299,012
Balance as at 1 January 2016	565,346	1,010,976	10,461	7,310	56,535	772,425	2,423,053
Profit for the period	-	-	-	-	-	196,247	196,247
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	196,247	196,247
Increase in capital from stock dividend	71,304	-	-	-	-	(71,304)	-
Increase in capital from exercise of warrants	5,348	30,764	(10,323)	(25,789)	-	-	-
Subscription received in advance from exercise of warrants	-	-	-	18,479	-	-	18,479
Share-based payment transactions	-	-	506	-	-	-	506
Adjusted from cancelled warrants that breach the condition	-	-	(644)	-	-	-	(644)
Dividend paid	-	-	-	-	-	(45,635)	(45,635)
Balance as at 30 September 2016	641,998	1,041,740	-	-	56,535	851,733	2,592,006



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

(Unaudited but reviewed)

## TRC Construction Public Company Limited and its subsidiaries

## Cash flow statement

For the nine-month period ended 30 September 2016

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Cash flows from operating activities</b>				
Profit before tax	214,502	252,008	248,212	355,256
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	85,456	53,835	73,749	40,173
Bad debt and allowance for doubtful debt (reversal)	7,023	-	(287)	(3,432)
Unrealised loss on exchange rate	9,083	13,519	8,975	12,247
Gain on disposal of vehicles and equipments	(430)	(36,487)	(402)	(27,731)
Loss on write-off of tools and equipment	608	71	600	62
Loss on write-off of intangible asset	-	463	-	463
Gain from dissolution of joint venture	-	(34)	-	-
Share of loss from investments in associate	23,378	-	-	-
Expense for share - based payment transactions	506	3,727	459	3,274
Adjusted from cancelled warrants that breach the condition	(644)	-	(545)	-
Reversal of unbilled payables	-	(1,437)	-	(1,437)
(Reversal) provision for liabilities under construction projects	24,168	2,595	24,168	3,288
Provision for long-term employee benefits	6,037	5,985	5,089	5,074
Interest income	(2,863)	(7,093)	(46,996)	(8,307)
Interest expenses	11,801	2,274	11,700	2,147
Profit from operating activities before changes in operating assets and liabilities	378,625	289,426	324,722	381,077
(Increase) decrease in operating assets				
Trade and other receivables	212,000	67,319	274,216	103,940
Unbilled receivables	(502,516)	(287,163)	(175,206)	(259,311)
Accounts receivable - retention	(6,338)	(46,217)	49,232	(49,122)
Advances paid to subcontractors under construction contracts	(261,751)	(38,048)	(44,115)	(20,316)
Construction in progress	(5,687)	(50,064)	(32,838)	(7,408)
Construction supplies	622	4,329	622	4,329
Other current assets	16,013	(22,183)	9,725	(13,077)
Other non-current assets	360	(4,598)	387	(4,572)
Increase (decrease) in operating liabilities				
Trade and other payables	(14,501)	40,999	(28,777)	38,112
Unbilled payables	(243,254)	343,060	(469,280)	346,893
Unearned construction revenue	-	(148,931)	-	(148,931)
Accounts payable - retention	34,369	325	2,501	4,614
Advances received from customers under construction contracts	108,580	213,213	67,120	1,819
Provision for liabilities under construction projects	(5,985)	(16,084)	(3,904)	(7,524)
Other current liabilities	(23,090)	18,371	(26,728)	14,742
Provision for long-term employee benefits	-	(450)	-	-
Cash flows from (used in) operating activities	(312,553)	363,304	(52,323)	385,265
Cash paid for income tax	(66,037)	(86,119)	(57,153)	(80,022)
Cash received from income tax refund	14,417	-	14,417	-
Net cash flows from (used in) operating activities	(364,173)	277,185	(95,059)	305,243

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



(Unaudited but reviewed)

## TRC Construction Public Company Limited and its subsidiaries

## Cash flow statement (continued)

For the nine-month period ended 30 September 2016

(Unit: Thousand Baht)

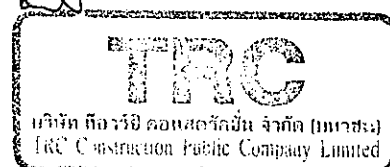
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Cash flows from investing activities</b>				
(Increase) decrease in current investments	(357)	37	(357)	37
Decrease (increase) in restricted deposits at financial institution	18,753	(15,869)	3,356	10,322
Increase in short-term loans to related party	-	-	(810,921)	(34,149)
Cash paid for investing in subsidiary	-	-	-	(300,000)
Cash received from dissolution of joint venture	-	103	-	-
Cash paid for purchase of investment in associate	(906,048)	-	-	-
Cash paid for purchase of other long-term investment	-	(50,000)	-	-
Interest income	4,448	14,324	6,651	9,343
Cash received from disposal of vehicles and equipments	791	75,779	763	65,624
Cash paid for purchase of property, plant and equipment	(145,254)	(266,662)	(145,215)	(243,737)
Cash paid for purchase of intangible assets	(4,487)	(1,878)	(4,487)	(1,578)
<b>Net cash flows used in investing activities</b>	<b>(1,032,154)</b>	<b>(244,166)</b>	<b>(950,210)</b>	<b>(494,138)</b>
<b>Cash flows from financing activities</b>				
Increase in short-term loans from institutions	82,113	-	22,579	-
Increase in short-term loans	100,000	-	100,000	-
Repayment of long-term loans	-	(30,500)	-	(30,500)
Cash received from loans from related party	-	-	343,000	100,000
Repayment of loans from related party	-	-	(290,000)	(100,000)
Cash received from issuance of debentures	-	726,000	-	726,000
Cash paid for transaction costs from issuance of ordinary shares	-	(12,870)	-	(12,870)
Cash received from issuance of debentures	200,000	100,000	200,000	100,000
Subscription received in advance from exercise of warrants	-	11,858	-	11,858
Cash received from increase in capital due to exercise of warrants	18,479	25,716	18,479	25,716
Dividend paid	(45,635)	(11,535)	(45,635)	(11,535)
Interest expenses	(10,802)	(1,189)	(10,704)	(1,062)
Decrease in liabilities under finance lease agreements	(10,474)	(1,490)	(6,414)	(41)
<b>Net cash flows from financing activities</b>	<b>333,681</b>	<b>805,990</b>	<b>331,305</b>	<b>807,566</b>
<b>Increase in translation adjustment</b>	<b>630</b>	<b>1,764</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,062,016)</b>	<b>840,773</b>	<b>(713,964)</b>	<b>618,671</b>
Cash and cash equivalents at beginning of the period	1,289,428	606,657	751,701	455,659
<b>Cash and cash equivalents at end of the period (Note 3)</b>	<b>227,412</b>	<b>1,447,430</b>	<b>37,737</b>	<b>1,074,330</b>

## Supplemental cash flows information

## Non-cash items consist of

Purchase of fixed assets under financial lease	-	47,566	-	27,107
Decrease in purchase of tools, equipments and intangible assets that have yet to be paid	(23,044)	(20,715)	(23,033)	(20,793)
Purchase of fixed assets offset against advance receivable	-	-	-	7,308
Transfer construction supplies to assets under construction	6,203	-	6,203	-
Interest expenses recorded as cost of project	722	-	722	-
Stock dividend	71,304	103,817	71,304	103,817

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



**TRC Construction Public Company Limited and its subsidiaries**

**Notes to interim financial statements**

**For the three-month and nine-month periods ended 30 September 2016**

**1. General information**

**1.1 Corporate information**

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.

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

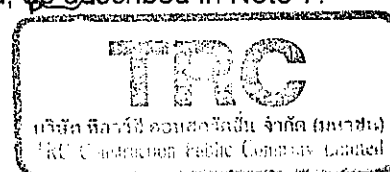
These interim financial statements are prepared in accordance with Thai Accounting Standard 34 (revised 2015) *Interim Financial Reporting*, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

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 circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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 Thai language financial statements.

**1.3 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 31 December 2015, with there being no changes in the structure of shareholding in subsidiaries during the current period, except for the dissolution of CR3 and Sahakarn Joint Venture Company Limited, as described in Note 7.



## 1.4 New accounting standards

During the period, the Company and its subsidiaries have adopted the revised and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which became effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements.

## 1.5 Significant accounting policies

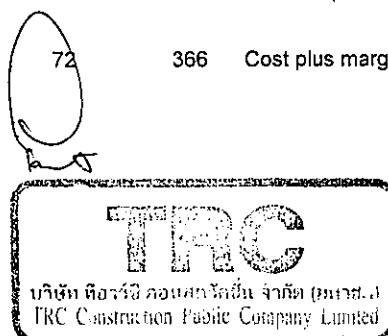
The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2015.

## 2. Related party transactions

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

(Unit: Million Baht)

For the three-month periods ended 30 September					Transfer Pricing Policy
Consolidated		Separate			
financial statements		financial statements			
2016	2015	2016	2015		
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Cost of construction services	-	-	3	3	Cost plus margin
Interest income	-	-	16	1	At rate of 3.5% - 5.0% p.a.
Interest expense	-	-	1	-	At rate of 2.0% - 2.5% p.a.
<u>Transaction with associated companies</u>					
Construction service income	147	-	147	-	Cost plus margin
Rental income	1	1	1	1	Contract price
<u>Transactions with related parties</u>					
Construction service income	72	366	72	366	Cost plus margin





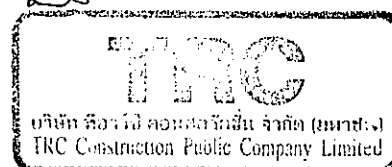
(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month periods ended 30 September					Transfer Pricing Policy
Consolidated		Separate			
financial statements		financial statements			
2016	2015	2016	2015		
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Cost of construction services	-	-	9	5	Cost plus margin
Interest income	-	-	46	3	At rate of 3.5% - 5.0% p.a.
Interest expense	-	-	1	-	At rate of 2.0% - 2.5% p.a.
<u>Transaction with associated company</u>					
Construction service income	193	-	193	-	Cost plus margin
Rental income	2	2	2	2	Contract price
<u>Transactions with related parties</u>					
Construction service income	87	892	87	892	Cost plus margin

As at 30 September 2016 and 31 December 2015, the balances of the accounts between the Company, its subsidiaries and those related companies are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2016	2015	2016	2015
<b>Trade and other receivables - related parties (Note 4)</b>				
Subsidiary companies	-	-	50,317	7,180
Associated company	14	24	14	24
Joint venture	36,886	70,134	36,886	70,134
Shareholder of subsidiary	-	13,464	-	-
Total	36,900	83,622	87,217	77,338
<b>Unbilled receivable - related parties</b>				
Associated company	163,714	-	163,714	-
Joint venture	346,036	478,026	346,036	478,026
Total	509,750	478,026	509,750	478,026
<b>Accounts receivable - retention under constructions contracts - related parties</b>				
Associated company	2,894	-	2,894	-
Joint venture	39,802	32,364	39,802	32,364
Total	42,696	32,364	42,696	32,364
<b>Trade and other payables - related party (Note 13)</b>				
Subsidiary companies	-	-	32,988	11,168
Total	-	-	32,988	11,168
<b>Advances received from customers under construction contracts - related parties</b>				
Associated company	78,986	-	78,986	-
Joint venture	31,959	-	31,959	-
Total	110,945	-	110,945	-



(Unaudited but reviewed)

Short-term loans to related parties

As at 30 September 2016 and 31 December 2015, the balance of loans between the Company and related companies and the movements are as follows:

(Unit: Thousand Baht)

		Separate financial statements			
Short-term loans	Related by	Balance as at 31 December 2015	Increase	Decrease	Balance as at 30 September 2016
					Exchange rate adjustment
TRC Investment Limited	Subsidiary company	442,834	820,293	-	(17)
TRC International Limited	Subsidiary company	55,381	-	(9,372)	-
TRC Engineering LLC	Subsidiary company	56,623	-	-	-
Total		554,838	820,293	(9,372)	(17)
Less: Allowance for doubtful debts		(56,623)	-	-	-
Net		498,215	820,293	(9,372)	(17)

Short-term loans to related party carry interest at rates of 3.5% - 7.0% per annum (31 December 2015: 3.5% - 7.0% per annum) and due for repayment on demand.

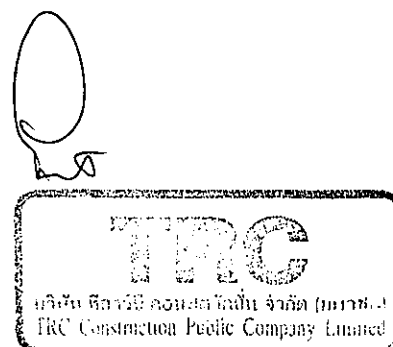
Short-term loans from related party

As at 30 September 2016 and 31 December 2015, the balance of loans between the Company and this related company and the movement are as follows:

(Unit: Thousand Baht)

		Separate financial statements			
Short-term loan	Related by	Balance as at 31 December 2015	Increase	Decrease	Balance as at 30 September 2016
Sahakarn Wisavakorn Company Limited	Subsidiary company	-	343,000	(290,000)	53,000

As at 30 September 2016, short-term loans from related party carried interests at rate of 2.5% per annum and due for repayment on demand.



(Unaudited but reviewed)

### Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2016 and 2015, the Company and its subsidiaries had employee benefit expenses of their directors and management as below.

(Unit: Million Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Short-term employee benefits	10	10	10	9
Post-employment benefits	-	1	-	1
Total	10	11	10	10

(Unit: Million Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Short-term employee benefits	24	26	24	25
Post-employment benefits	2	3	2	3
Share-based payment	-	1	-	1
Total	26	30	26	29

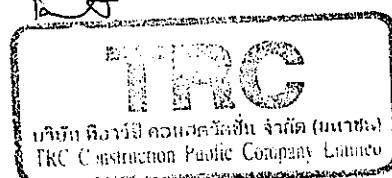
### Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 25.5.

### 3. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
Cash	1,787	1,724	840	723
Deposits at financial institutions	119,597	659,138	36,897	450,086
Investment in mutual fund	106,028	178,566	-	892
Investment in bill of exchanges	-	450,000	-	300,000
Total	227,412	1,289,428	37,737	751,701



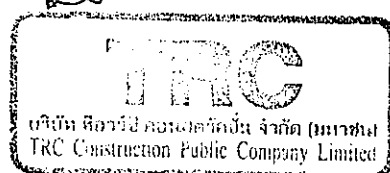
(Unaudited but reviewed)

**4. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
<b><u>Trade accounts receivable - related parties</u></b>				
Aged on the basis of due dates				
Not yet due	-	66,313	-	66,313
Past due				
Up to 3 months	33,532	-	33,532	-
<b>Total trade accounts receivable - related parties, net</b>	<b>33,532</b>	<b>66,313</b>	<b>33,532</b>	<b>66,313</b>
<b><u>Trade accounts receivable - unrelated parties</u></b>				
Aged on the basis of due dates				
Not yet due	282,127	530,901	208,403	436,642
Past due				
Up to 3 months	90,458	16,492	-	16,460
Over 12 months	13,469	18,391	-	4,383
<b>Total trade accounts receivable - unrelated parties</b>	<b>386,054</b>	<b>565,784</b>	<b>208,403</b>	<b>457,485</b>
Less: Allowance for doubtful debt	(11,928)	(16,311)	-	(4,383)
Translation adjustment	(1,541)	(2,081)	-	-
<b>Total trade accounts receivable - unrelated parties, net</b>	<b>372,585</b>	<b>547,392</b>	<b>208,403</b>	<b>453,102</b>
<b>Total trade accounts receivable - net</b>	<b>406,117</b>	<b>613,705</b>	<b>241,935</b>	<b>519,415</b>
<b><u>Other receivables</u></b>				
Advance to related parties	3,368	17,309	7,559	6,304
Interest receivable from related parties	-	-	54,623	10,448
Others	4,123	5,421	3,796	4,346
<b>Total other receivables</b>	<b>7,491</b>	<b>22,730</b>	<b>65,978</b>	<b>21,098</b>
Less: Allowance for doubtful debt	(127)	(127)	(8,497)	(5,727)
<b>Total other receivables - net</b>	<b>7,364</b>	<b>22,603</b>	<b>57,481</b>	<b>15,371</b>
<b>Total trade and other receivables - net</b>	<b>413,481</b>	<b>636,308</b>	<b>299,416</b>	<b>534,786</b>

The Company and the subsidiary transferred rights to receive payment under construction contracts to secure the credit facilities with financial institutions. Pledged trade accounts receivable amounting to Baht 397 million included in the trade accounts receivable balance as at 30 September 2016 (the Company only: Baht 233 million) (31 December 2015: Baht 524 million, the Company only: Baht 503 million).



(Unaudited but reviewed)

## 5. Construction supplies

(Unit: Thousand Baht)

	Consolidated / Separate financial statements					
	Cost		Reduce cost to net		Construction supplies - net	
	30	31	30	31	30	31
	September	December	September	December	September	December
	2016	2015	2016	2015	2016	2015
Construction supplies	10,571	20,072	(3,072)	(5,748)	7,499	14,324
Total	10,571	20,072	(3,072)	(5,748)	7,499	14,324

## 6. Restricted deposits at financial institutions

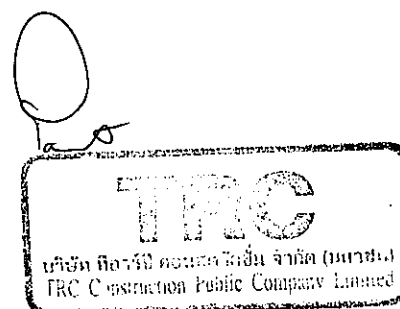
These represent saving deposit and fixed deposits pledged with financial institutions to secure credit facilities and bank guarantee facilities issued by the bank on behalf of the subsidiaries, as described in Note 25.4.

## 7. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage		Cost method	
			30	31	30	31	30	31
			September 2016	December 2015	September 2016	December 2015	September 2016	December 2015
					(%)	(%)	(Baht)	(Baht)
Sahakarn Wisavakorn Company Limited	Construction services - basic infrastructure	Thailand	500,000,000 Baht	500,000,000 Baht	99.99	99.99	620,894,723	620,947,021
TRC Investment Limited*	Holding company	The Republic of Mauritius	1 USD	1 USD	100.00	100.00	32	32
Total							620,894,723	620,947,053
Less: Allowance for loss on impairment of investment							(145,071,416)	(145,071,416)
Total investments in subsidiaries - net							475,823,307	475,875,637

The change in cost of investments in subsidiaries is from the Company issues warrants to purchase ordinary shares to director and/or employees of subsidiary.



(Unaudited but reviewed)

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

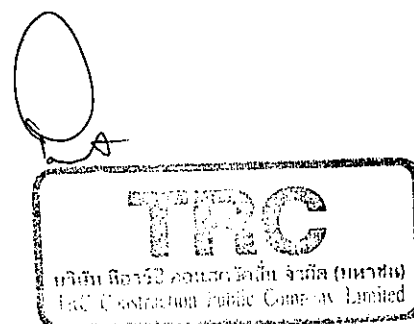
Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage		Cost method	
			30 September 2016	31 December 2015	30September 2016 (%)	31 December 2015 (%)	30 September 2016 (Baht)	31 December 2015 (Baht)
<u>Held by Sahakarn Wisavakorn Company Limited</u>								
CR3 and Sahakarn Joint Venture Company Limited	Construction services	Thailand	-	6,000,000 Baht	-	91.83	-	5,509,700
Hydrotek Sahakarn Joint Venture Limited	Construction services	Thailand	1,000,000 Baht	1,000,000 Baht	49.00	49.00	490,000	490,000
<u>Held by TRC Investment Limited</u>								
TRC International Limited*	Investor	Hong Kong	10 HKD	10 HKD	100.00	100.00	33	33
<u>Held by TRC International Limited</u>								
TRC Middle East LLC*	Construction services	Sultanate of Oman	150,000 Omani Rial	150,000 Omani Rial	70.00	70.00	12,322,330	12,322,330
TRC Engineering LLC*	Construction services	Sultanate of Oman	250,000 Omani Rial	250,000 Omani Rial	70.00	70.00	13,654,506	13,654,506
Total							26,468,869	31,976,569
Less: Allowance for loss on impairment of investment							(25,976,836)	(13,654,506)
Total investments in subsidiaries which are held by the Company's subsidiaries - net							490,033	18,322,063

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

Sahakarn Wisavakorn Company Limited, which is the Company's subsidiary, and Hydrotek Public Company Limited agree that the subsidiary will be responsible for project execution of Hydrotek Sahakarn Joint Venture whereas Hydrotek Public Company Limited will not share any gain and loss as well as damage maybe arisen from this project.

On 1 December 2015, Sahakarn Wisavakorn Company Limited, which is the Company's subsidiary, registered the dissolution of CR3 and Sahakarn Joint Venture Company Limited with the Ministry of commerce and completed the liquidation process on 28 December 2015. On 14 January 2016, CR3 and Sahakarn Joint Venture Company Limited had already returned the capital to the Subsidiary.

On 10 March 2016, the Meeting No. 3/2016 of the Company's Board of Directors passed a resolution to approve the closure of TRC Middle East LLC and TRC Engineering LLC. On 30 September 2016, these subsidiaries have been in the liquidation process.



## 8. Investments in associate

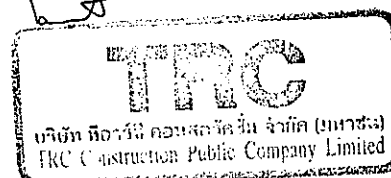
### 8.1 Details of associate

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			30	31	30	31	30	31
			September	December	September	December	September	December
			2016	2015	2016	2015	2016	2015
			(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
<u>Held by TRC Investment Limited</u>								
ASEAN Potash Chaiyaphum Public Company Limited	Mining Industries	Thailand	23.43	-	1,261,274	-	1,240,383	-
<u>Held by TRC International Limited</u>								
ASEAN Potash Chaiyaphum Public Company Limited	Mining Industries	Thailand	2.79	-	100,000	-	97,513	-
Total					1,361,274	-	1,337,896	-

On 6 January 2015, TRC International Limited (TRCI), which is the Company's subsidiary in Hong Kong, increased its investment in ASEAN Potash Chaiyaphum Public Company Limited (APOT) by purchasing additional 250,000 ordinary shares from its shareholders at Baht 200 per share, a total of Baht 50 million.

On 16 September 2015, the Meeting No. 9/2015 of the Company's Board of Directors approved TRC Investment Limited, a subsidiary in Mauritius, to acquire additional ordinary shares of ASEAN Potash Chaiyaphum Public Company Limited at the aggregate of not exceeding 6.3 million shares, at price of Baht 200 per share, total value of Baht 1,260 million from Thermal Trade and Investment Limited. Subsequently, on 15 October 2015, TRC Investment Limited make the first payment for APOT's shares totaling of Baht 355 million in accordance with terms of payment stipulated in Share Sale and Purchase Agreement ("SPA"). On 30 October 2015, APOT's share certificates of 1.8 million shares were transferred to TRC Investment Limited.

During January and May 2016, TRC Investment Limited made the second through fourth payments for the 4.5 million share subscription totaling Baht 906 million. As a result, TRC Group's shareholding in APOT increased to 26.22%, consisting of 23.43% shareholding of TRC Investment Limited and 2.79% shareholding of TRC International Limited, with current paid-up capital as of 30 September 2016 of Baht 2,688 million and classifies this investment as investment in an associate.



(Unaudited but reviewed)

## 8.2 Share of loss

During the three-month and nine-month periods ended 30 September 2016 and 2015, the Company and its subsidiary has recognized its share of loss from investments in associate company in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Associate	Consolidated financial statements			
	Share of loss from investments in associate			
	During the nine-month periods ended 30 September		During the nine-month periods ended 30 September	
	2016	2015	2016	2015
ASEAN Potash Chaiyaphum Public Company Limited	9,704	-	23,378	-
Total	9,704	-	23,378	-

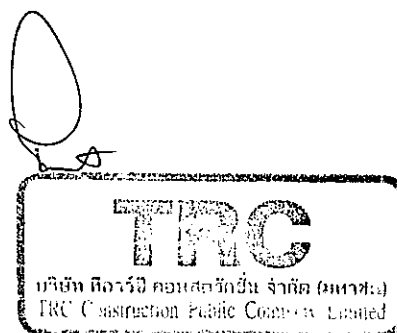
## 9. Investments in joint ventures

Details of investments in joint ventures are as follows:

(Unit: Thousand Baht)

Jointly controlled entity	Nature of business	Consolidated financial statements							
		Shareholding percentage		Cost		Carrying amounts based on equity method		Share of gain from investments in joint venture	
		30 September	31 December	30 September	31 December	30 September	31 December	During the three-month and nine-month periods ended 30 September	
		2016	2015	2016	2015	2016	2015	2016	2015
		(%)	(%)						
<u>Held by the Company</u>									
Sinopec-TRC Joint Venture	Construction	30	30	2,376	2,376	2,376	2,376	-	-
Total				2,376	2,376	2,376	2,376	-	-

The consolidated financial statements for the three-month and nine-month periods ended 30 September 2016 do not include share of loss on investment in Sinopec-TRC Joint Venture because, during the period, the Company subcontracts a part of the operation from which the operating income is included in the consolidated financial statements.





## 10. Other long-term investments

Details of other long-term investments as presented in consolidated financial statements are as follows:

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage		Cost method	
			30 September	31 December	30 September	31 December	30 September	31 December
			2016	2015	2016	2015	2016	2015
					(%)	(%)	(Baht)	(Baht)
<u>Held by TRC Investment Limited</u>								
Asia Africa Energy Limited	Holding company	Hong Kong	-	USD 64	-	5.00	-	2,010
Rainbow Power Integrated Concept Limited	Development and investment in natural gas sector	Nigeria	-	USD 6,957	-	8.00	-	243,518
ASEAN Potash Chaiyaphum Public Company Limited	Mining industries	Thailand	-	Baht 2,060,837,300	-	8.61	-	355,225,624
<u>Held by TRC International Limited</u>								
ASEAN Potash Chaiyaphum Public Company Limited	Mining industries	Thailand	-	Baht 2,060,837,300	-	3.64	-	100,000,000
Total							-	455,471,152
Less: Allowance for loss on impairment of investment							-	(245,528)
Total other long-term investments - net							-	455,225,624

On 12 January 2016, the Meeting No. 1/2016 of the Company's Board of Directors passed the resolution to approved the write-off of investments in Asia Africa Energy Limited and Rainbow Power Integrated Concept Limited due to their long-term business suspension and a lack of further business development plan.

## 11. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2016 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2016	706,701	660,583
Acquisitions during period - at cost	128,413	128,385
Disposal during period - net book value at disposal date	(361)	(361)
Write - off during period - net book value at write - off date	(608)	(600)
Depreciation for the period	(84,085)	(72,436)
Net book value as at 30 September 2016	750,060	715,571

(Unaudited but reviewed)

As at 30 September 2016 and 31 December 2015, 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.

## 12. Short-term loans from financial institutions

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
	Interest rate	30 September	31 December	30 September	31 December
	(% per annum)	2016	2015	2016	2015
Promissory note	3.30% - 3.36%	10,000	-	10,000	-
Trust receipt	2.00%	72,113	-	12,579	-
Total		82,113	-	22,579	-

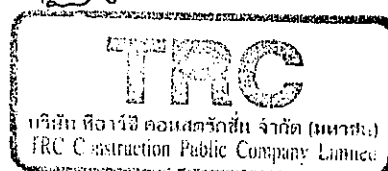
Short-term loans from financial institutions of the subsidiaries have been secured by the transfer of right to receive from accounts receivable, as described in Note 4.

## 13. Trade and other payables

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		30 September	31 December	30 September	31 December
		2016	2015	2016	2015
Trade accounts payable -					
unrelated parties		443,521	429,239	266,207	290,841
Fixed assets payable		2,048	26,705	2,019	26,665
Advances from related parties		-	-	32,505	11,168
Accrued interest expense -					
related party		-	-	483	-
Accrued expenses		68,280	96,840	57,597	82,998
Total trade and other payables		513,849	552,784	358,811	411,672

## 14. Short-term loans

These represent a non-transferable bill of exchange amounting to Baht 100 million issued through the private placement with an interest rate of 3.6% per annum. The bill of exchange are to have a term of 3 months and be extension.



(Unaudited but reviewed)

**15. Provision for liabilities under construction projects**

(Unit: Thousand Baht)

	Consolidated financial statements			
	Warranties	Loss on construction	Penalties	Total
As at 1 January 2016	17,397	3,407	-	20,804
Increase during the period	1,000	-	27,424	28,424
Decrease from occurrence of actual expense	(3,918)	(2,067)	-	(5,985)
Reversal of provisions	(3,256)	-	-	(3,256)
As at 30 September 2016	11,223	1,340	27,424	39,987

(Unit: Thousand Baht)

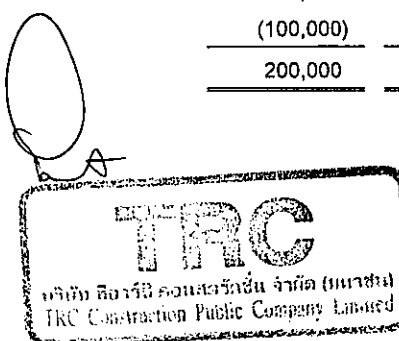
	Separate financial statements			
	Warranties	Loss on construction	Penalties	Total
As at 1 January 2016	12,353	-	-	12,353
Increase during the period	1,000	-	27,424	28,424
Decrease from occurrence of actual expense	(3,904)	-	-	(3,904)
Reversal of provisions	(3,256)	-	-	(3,256)
As at 30 September 2016	6,193	-	27,424	33,617

**16. Debentures**

The Company has issued unsubordinated and unsecured debentures without a debenture-holders' representative in the name-registered, as detailed below.

(Unit: Thousand Baht)

Debentures	Interest rate	Terms	Due date	Consolidated / Separate financial statements	
				30 September 2016	31 December 2015
Debentures 1/2015	4.68%	2 years	8 July 2017	100,000	100,000
Debentures 1/2016	4.40%	2 years	10 March 2018	200,000	-
				300,000	100,000
Less: Current portion				(100,000)	-
Debentures - net of current portion				200,000	100,000



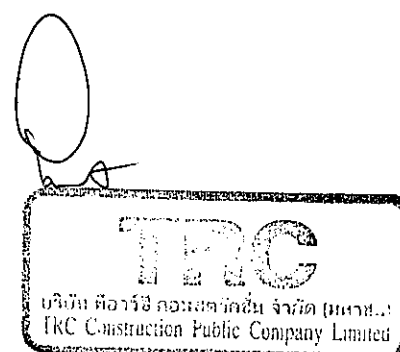
Details of the Company's debentures are as follows:

1. The Unsubordinated and unsecured Debentures of TRC Construction Public Company Limited. No. 1/2015, due 2017.

Name of debentures	"Debentures of TRC Construction Public Company Limited No. 1/2015, due 2017"
Amount	Baht 100 million
Term	2 years, starting from date of issuance
Issued date	8 July 2015
Interest rate	interest rate at 4.68% per annum throughout the term of the Debenture
Interest payment schedule	Quarterly on 8 January, 8 April, 8 July and 8 October, starting from 8 October 2015
Principal repayment	On the redemption date of 8 July 2017

2. The Unsubordinated and unsecured Debentures of TRC Construction Public Company Limited. No. 1/2016, due 2018.

Name of debentures	"Debentures of TRC Construction Public Company Limited No. 1/2016, due 2018"
Amount	Baht 200 million
Term	2 years, starting from date of issuance
Issued date	10 March 2016
Interest rate	interest rate at 4.40% per annum throughout the term of the Debenture
Interest payment schedule	Quarterly on 10 March, 10 June, 10 September and 10 December, starting from 10 June 2016
Principal repayment	On the redemption date of 10 March 2018



(Unaudited but reviewed)

**17. Liabilities under finance lease agreements**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
Liabilities under finance lease agreements	35,443	47,275	19,305	26,464
Less: Deferred interest	(2,313)	(3,671)	(889)	(1,634)
Total	33,130	43,604	18,416	24,830
Less: Current portion	(12,658)	(12,532)	(8,896)	(8,600)
Liabilities under finance lease agreements - net of current portion	20,472	31,072	9,520	16,230

The Company and its subsidiary had entered into the finance lease agreements with leasing companies for rental of machine for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally 3 - 5 years.

Future minimum lease payments required under the finance lease agreements were as follows.

(Unit: Thousand Baht)

	As at 30 September 2016					
	Consolidated financial statements			Separate financial statements		
	Less than 1 year	1-3 years	Total	Less than 1 year	1-2 years	Total
Future minimum lease payments	13,961	21,482	35,443	9,545	9,760	19,305
Deferred interest expenses	(1,303)	(1,010)	(2,313)	(649)	(240)	(889)
Present value of future minimum lease payments	12,658	20,472	33,130	8,896	9,520	18,416

(Unit: Thousand Baht)

	As at 31 December 2015					
	Consolidated financial statements			Separate financial statements		
	Less than 1 year	1-4 years	Total	Less than 1 year	1-2 years	Total
Future minimum lease payments	14,270	33,005	47,275	9,545	16,919	26,464
Deferred interest expenses	(1,738)	(1,933)	(3,671)	(945)	(689)	(1,634)
Present value of future minimum lease payments	12,532	31,072	43,604	8,600	16,230	24,830



## 18. Share capital

Movements in the number of ordinary shares, the paid-up share capital and premium on ordinary shares are as follows:

Description	Number of shares (Thousand shares)	Amount (Thousand Baht)	Premium on ordinary shares (Thousand Baht)	Registration date with the Ministry of Commerce
<u>Registered share capital</u>				
At the beginning of the period	5,242,871	655,359		
Increase during the period	1,245,666	155,708		11 May 2016
Decrease during the period	(677,549)	(84,694)		10 May 2016
At the end of the period	5,810,988	726,373		
<u>Issued and paid-up share capital</u>				
At the beginning of the period	4,522,766	565,346	1,010,976	
Increase in capital from stock dividend	570,436	71,304	-	26 May 2016
Increase due to exercise of warrants				
ESOP-W2 No. 7	12,064	1,508	8,726	7 January 2016
ESOP-W2 No. 8	28,673	3,584	20,750	11 April 2016
ESOP-W2 No. 9	2,047	256	1,288	7 July 2016
At the end of the period	5,135,986	641,998	1,041,740	

On 27 April 2016, the Annual General Meeting of the Company's shareholders passed the following significant resolutions regarding the Company's registered share capital.

- 18.1 Paid dividend by the Company's ordinary shares up to 570.4 million shares with a par value of Baht 0.125 per share to be distributed at a rate of 1 dividend share for every 8 existing shares, equivalent to a dividend of Baht 0.015625 per share.
- 18.2 Approved a decrease in the registered capital of the Company from Baht 655.4 million to Baht 570.7 million consisting of 4,565.3 million share with a par value of Baht 0.125 each, by cancelling the ordinary shares which had not yet been issued and were exceeding to requirements for the exercise of the ESOP-W2. The Company registered the decrease of its registered capital at the Ministry of Commerce on 10 May 2016.
- 18.3 Approved an increase in the registered capital from Baht 570.7 million to Baht 726.4 million through the issuance of an additional 1,245.6 million ordinary shares with a par value of Baht 0.125 each, to be allocated as follows:

- Up to 570.4 million shares to be reserved for the distribution of the stock dividend.
- 675.0 million shares to be reserved for the exercise of the warrants issuance to specific investor who subscribed debentures.

(Unaudited but reviewed)

- Up to 0.2 million shares to be reserved for supporting the ESOP-W2's rights adjustment due to the distribution of the stock dividend.

On 11 May 2016, the Company registered with the Ministry of Commerce the increase in its registered capital to Baht 726.3 million, or 5,811.0 million shares, and in its issued and paid-up capital to Baht 570.4 million, or 4,563.5 million shares.

#### 19. Warrants / Capital reserve for share - based payment transactions

On 1 July 2014, the Company issues and allocates of 31,598,200 No. 2 warrants under the Employee Stock Option Plan (ESOP-W2) to the directors and/or employees of the Company and/or its subsidiary. Details are as follows:

Type	:	Named and non-transferable
Offering price per unit	:	Baht 0.00
Maturity of warrants	:	3 years from the date of issuance of warrants
Exercise price	:	Baht 4.70 per share
Conversion ratio	:	1 ordinary share per 1 warrant. The exercise ratio may be changed following the conditions for adjustment of right.
Conditions and period of exercise	:	1) Exercises of the warrants can be made on last day of every quarter, the first exercise date is 30 June 2014 and the final exercise date is 30 June 2016. 2) Each time the warrants are exercised, the warrant holders can exercise not more than 12.5% of their allocated warrants. 3) The unexercised warrants can be accumulated to exercise during the next exercise period, until maturity of the warrants.
Other conditions	:	If the warrant holders resign or are otherwise no longer directors and/or employees of the Company and/or its subsidiary, the warrant holders have to return the outstanding warrants to the Company, and the Board of Directors of the Company can re-allot the warrants to other directors and/or employees.



(Unaudited but reviewed)

The estimated fair value of each share option granted is Baht 0.88. This was calculated using the Black-Scholes-Merton Model. The model inputs were the share price at price determination date of Baht 3.12, exercise price of Baht 4.70, expected volatility of 65.44%, expected dividend yield of 2.72%, life of share options of 3 years, and a risk-free interest rate of 3.01%.

On 24 April 2014, the Annual General Meeting of the Company's shareholders for the year 2014 passed a resolution to change the exercise price of warrants from Baht 4.70 per share to Baht 3.03 per share. From the amendment of the exercise price of warrants, the estimated fair value of each share option granted changed to Baht 1.21. This was calculated using the Black-Scholes-Merton Model. The model inputs were the share price at price amendment date of Baht 3.38, exercise price of Baht 3.03, expected volatility of 63.18%, expected dividend yield of 1.65%, life of share options of 2 years, and a risk-free interest rate of 2.22%.

On 29 April 2015, the Annual General Meeting of the Company's shareholders for the year 2015 passed a resolution to pay a stock dividend totaling 830.5 million shares (after change in par value) and change the par value of the shares. As a result, the Company had to adjust in accordance to the condition of ESOP - W2 as detailed below.

	Exercise ratio (per 1 unit of warrants)		Exercise price (Baht/share)	
	Existing	New	Existing	New
ESOP-W2	1	5	3.03	0.606

On 27 April 2016, the Annual General Meeting of the Company's shareholders for the year 2016 passed a resolution to pay a stock dividend totaling 570.4 million shares, as discussed in Note 18.1. As a result, the Company had to adjust in accordance to the condition of ESOP - W2 as detailed below.

	Exercise ratio (per 1 unit of warrants)		Exercise price (Baht/share)	
	Existing	New	Existing	New
ESOP-W2	5	5.625	0.606	0.538667

During the nine-month periods ended 30 September 2016, the Company and its subsidiary recorded expenses of the ESOP amounting to Baht 0.5 million (The Company only: Baht 0.5 million) (2015: Baht 3.7 million, the Company only: Baht 3.3 million) as personnel expenses, together with a corresponding increase in capital reserve for share-based payment transactions in shareholders' equity.



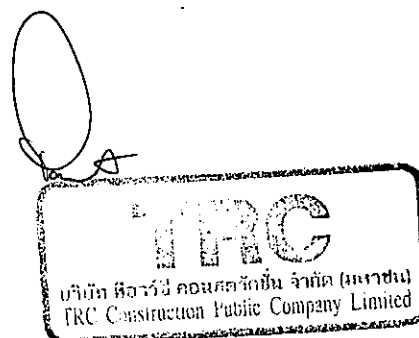
Movements in the number of warrants, ESOP during the period are as follows:

At the beginning of the period	6,516,143	Units
Exercised No. 8	(5,734,643)	Units
Exercised No. 9	(363,875)	Units
Cancelled	<u>(417,625)</u>	Units
At the end of the period	<u>-</u>	Units

As at 30 September 2016, the Company cancelled accumulated 858,020 warrants due to the resignation of employees who were warrant-holders. According to the conditions of ESOP-W2 allocation, the employees who resigned shall not entitled to exercise the remaining warrants.

On 30 March 2016, the eighth exercise date, the warrant-holders exercised 5,734,643 warrants to purchase 28,673,215 ordinary shares at Baht 0.606 each. The Company registered the above increase in its paid up share capital with the Ministry of Commerce on 11 April 2016. The Stock Exchange of Thailand approved the additional ordinary shares as a listed securities as from 19 April 2016.

On 30 June 2016, the ninth exercise date, the warrant-holders exercised 363,875 warrants to purchase 2,046,797 ordinary shares at Baht 0.538667 each. The Company registered the above increase in its paid up share capital with the Ministry of Commerce on 7 July 2016. The Stock Exchange of Thailand approved the additional ordinary shares as a listed securities as from 12 July 2016.



**20. Income tax**

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

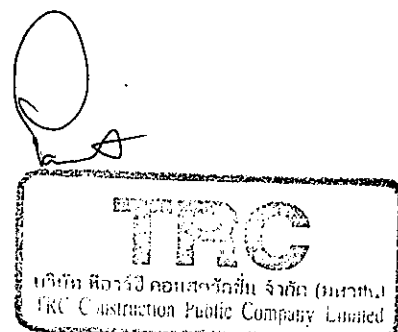
Income tax expenses for the three-month and nine-month periods ended 30 September 2016 and 2015 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
<b>Current income tax:</b>				
Interim corporate income tax charge	25,324	22,491	24,675	22,490
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	855	(3,769)	(4,659)	304
<b>Income tax expense reported in the statement of income</b>	<b>26,179</b>	<b>18,722</b>	<b>20,016</b>	<b>22,794</b>

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
<b>Current income tax:</b>				
Interim corporate income tax charge	60,697	72,942	56,166	72,940
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	1,643	(23,636)	(4,201)	(167)
<b>Income tax expense reported in the statement of income</b>	<b>62,340</b>	<b>49,306</b>	<b>51,965</b>	<b>72,773</b>



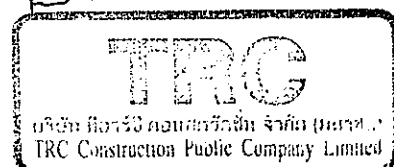
**21. Earnings per share**

Basic earnings per share is calculated by dividing profit 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, after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the distribution of the stock dividend in accordance with the resolutions of the Annual General Meeting of the Company's shareholders held on 27 April 2016, as discussed in Note 18, the number of ordinary shares of the prior period used for the calculation, as presented for comparative purposes, has been adjusted in proportion to the change in the number of shares, as if the shares comprising such stock dividends had been issued at the beginning of the earliest period reported.

Diluted earnings per share is calculated by dividing profit 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 plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic and diluted earnings per share:

Consolidated financial statements					
For the three-month periods ended 30 September					
Profit for the period		Weighted average number of ordinary shares		Earnings per share	
2016	2015	2016	2015	2016	2015
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
			(Restated)		(Restated)
<b>Basic earnings per share</b>					
Profit attributable to equity holders of the parent	70,243	62,934	5,135,986	4,957,966	0.014
					0.013
<b>Effect of dilutive potential ordinary shares</b>					
Warrants (ESOP-W2)	-		50,732		
<b>Diluted earnings per share</b>					
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	62,934		5,008,698		0.013



(Unaudited but reviewed)

## Separate financial statements

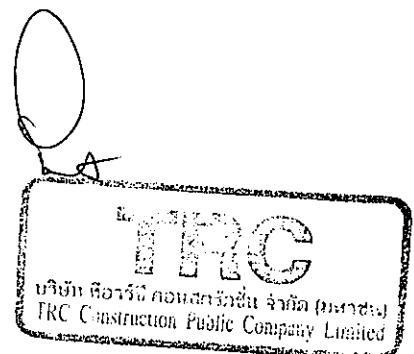
For the three-month periods ended 30 September

	Profit for the period		Weighted average number of ordinary shares		Earnings per share	
	2016	2015	2016	2015	2016	2015
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares) (Restated)	(Baht)	(Baht) (Restated)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the parent	<u>73,611</u>	<u>91,525</u>	<u>5,135,986</u>	<u>4,957,966</u>	<u>0.014</u>	<u>0.019</u>
<b>Effect of dilutive potential ordinary shares</b>						
Warrants (ESOP-W2)		-		50,732		
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares		<u>91,525</u>		<u>5,008,698</u>		<u>0.018</u>

## Consolidated financial statements

For the nine-month periods ended 30 September

	Profit for the period		Weighted average number of ordinary shares		Earnings per share	
	2016	2015	2016	2015	2016	2015
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares) (Restated)	(Baht)	(Baht) (Restated)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the parent	<u>157,436</u>	<u>206,942</u>	<u>5,124,370</u>	<u>4,760,831</u>	<u>0.031</u>	<u>0.043</u>
<b>Effect of dilutive potential ordinary shares</b>						
Warrants (ESOP-W2)	-	-	8,399	80,740		
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>157,436</u>	<u>206,942</u>	<u>5,132,769</u>	<u>4,841,571</u>	<u>0.031</u>	<u>0.043</u>



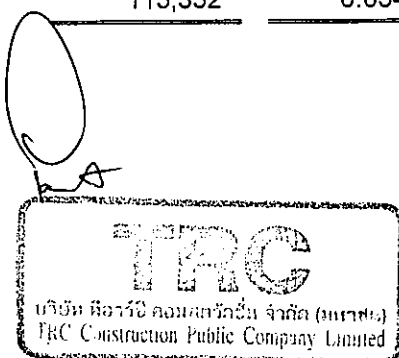
(Unaudited but reviewed)

Separate financial statements						
For the nine-month periods ended 30 September						
Profit for the period		Weighted average number of ordinary shares		Earnings per share		
2016	2015	2016	2015	2016	2015	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares) (Restated)	(Baht)	(Baht) (Restated)	
Basic earnings per share						
Profit attributable to equity holders						
of the parent						
196,247	282,483	5,124,370	4,751,012	0.038	0.059	
Effect of dilutive potential ordinary shares						
Warrants (ESOP-W2)						
-	-	8,399	80,740			
Diluted earnings per share						
Profit of ordinary shareholders assuming						
the conversion of dilutive potential ordinary						
shares						
196,247	282,483	5,132,769	4,831,752	0.038	0.058	

No calculation of diluted earnings per share for the three-month periods ended 30 September 2016 was required for warrant (ESOP-W2) since warrants were expired on 30 June 2016

## 22. Dividends / stock dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Dividend from operations of 2015	Annual General Meeting of the shareholders on 27 April 2016	45,635	0.010000
Stock dividend from operations of 2015	Annual General Meeting of the shareholders on 27 April 2016	71,304	0.015625
Total dividend and stock dividend paid in 2016		116,939	0.025625
Dividend from operations of 2014	Annual General Meeting of the shareholders on 29 April 2015	11,535	0.003472
Stock dividend from operations of 2014	Annual General Meeting of the shareholders on 29 April 2015	103,817	0.031250
Total dividend and stock dividend paid in 2015		115,352	0.034722



**23. Contracts in progress**

As at 30 September 2016, the aggregate amount of construction cost incurred and recognized profits or losses to date for contracts in progress of the Company and its subsidiaries was approximately Baht 9,773 million (the Company only: Baht 6,460 million), gross amounts due from customers for contracts in progress were approximately Baht 1,550 million (the Company only: Baht 1,137 million), and gross amounts due to customers for contracts in progress were approximately Baht 430 million (the Company only: Baht 159 million).

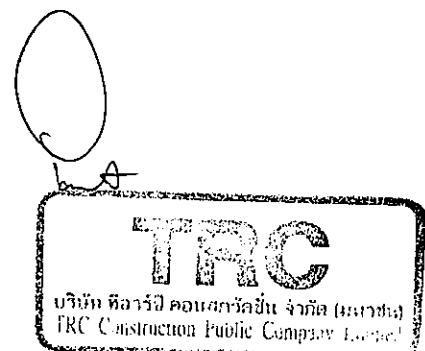
**24. Segment information**

The Company and its subsidiaries are organized into business units based on its products and services. During the current period, the Company and its subsidiaries have not changed the organization of their reportable segments.

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments in the consolidated financial statements for the three-month and nine-month periods ended 30 September 2016 and 2015, respectively.

(Unit: Thousand Baht)

For the three-month period ended 30 September 2016							
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenues from external customers	455,444	377,810	117,849	-	951,103	-	951,103
Revenues from associate	-	-	147,016	-	147,016	-	147,016
Revenues from joint venture	72,053	-	-	-	72,053	-	72,053
Depreciation	(15,746)	(9,168)	(4,274)	-	(29,188)	368	(28,820)
Administrator expense	(41,084)	(17,471)	(18,456)	-	(77,011)	(115)	(77,126)
<b>Segment profit (loss)</b>	<b>84,961</b>	<b>21,214</b>	<b>(736)</b>	<b>-</b>	<b>105,439</b>	<b>3,295</b>	<b>108,734</b>
Other income							2,278
Interest income							108
Interest expense							(5,671)
Share of loss from investments in associate							(9,704)
<b>Profit before income tax expense</b>							<b>95,745</b>
Income tax expense							(26,179)
<b>Profit for the period</b>							<b>69,566</b>



## (Unaudited but reviewed)

(Unit: Thousand Baht)

For the three-month period ended 30 September 2015

	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenues from external customers	149,661	284,569	70,353	1	504,584	-	504,584
Revenues from joint venture	366,307	-	-	-	366,307	-	366,307
Depreciation	(11,040)	(6,141)	(4,493)	(2)	(21,676)	-	(21,676)
Administrator expense	(52,118)	(28,960)	(9,419)	(9)	(90,506)	(1,038)	(91,544)
<b>Segment profit (loss)</b>	<b>61,924</b>	<b>9,282</b>	<b>(25,769)</b>	<b>(11)</b>	<b>45,426</b>	<b>1,875</b>	<b>47,301</b>
Other income							31,624
Interest income							2,747
Interest expense							(1,577)
<b>Profit before income tax expense</b>							<b>80,095</b>
Income tax expense							(18,722)
<b>Profit for the period</b>							<b>61,373</b>

(Unit: Thousand Baht)

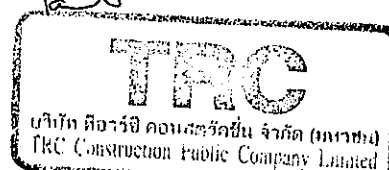
For the nine-month period ended 30 September 2016

	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenues from external customers	1,289,445	805,646	333,202	-	2,428,293	-	2,428,293
Revenues from associate	-	-	192,652	-	192,652	-	192,652
Revenues from joint venture	86,817	-	-	-	86,817	-	86,817
Depreciation	(42,800)	(27,493)	(14,886)	-	(85,179)	1,094	(84,085)
Administrator expense	(112,488)	(64,389)	(31,340)	-	(208,217)	47	(208,170)
<b>Segment profit (loss)</b>	<b>136,479</b>	<b>94,718</b>	<b>(7,802)</b>	<b>-</b>	<b>223,395</b>	<b>10,184</b>	<b>233,579</b>
Other income							13,580
Interest income							2,863
Interest expense							(12,142)
Share of loss from investments in associate							(23,378)
<b>Profit before income tax expense</b>							<b>214,502</b>
Income tax expense							(62,340)
<b>Profit for the period</b>							<b>152,162</b>

(Unit: Thousand Baht)

For the nine-month period ended 30 September 2015

	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenues from external customers	647,378	875,125	157,004	1,153	1,680,660	-	1,680,660
Revenues from joint venture	891,576	-	-	-	891,576	-	891,576
Depreciation	(26,839)	(15,262)	(10,687)	(19)	(52,807)	-	(52,807)
Administrator expense	(130,422)	(74,164)	(21,461)	(94)	(226,141)	(3,079)	(229,220)
<b>Segment profit (loss)</b>	<b>237,443</b>	<b>45,540</b>	<b>(97,817)</b>	<b>65</b>	<b>185,231</b>	<b>1,756</b>	<b>186,987</b>
Other income							60,990
Interest income							7,093
Interest expense							(3,062)
<b>Profit before income tax expense</b>							<b>252,008</b>
Income tax expense							(49,306)
<b>Profit for the period</b>							<b>202,702</b>



Transfer prices between business segments are as set out in Note 2.

**25. Commitments and contingent liabilities****25.1 Capital commitments**

As at 30 September 2016, the Company had capital commitments of approximately Baht 7 million (31 December 2015: Nil), relating to the construction of Fabrication Shop.

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

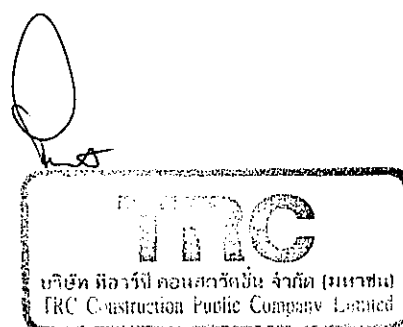
As at 30 September 2016, the Company and the subsidiary have outstanding commitments of Baht 1,096 million and Euro 18 million in respect of purchase construction materials and subcontracted work (the Company only: Baht 203 million and Euro 10 million) (31 December 2015: Baht 1,371 million and USD 2 million, the Company only: Baht 813 million and USD 2 million).

**25.3 Operating lease commitments**

The Company and its subsidiary have entered into lease agreements in respect of the lease of land, office building space, motor vehicles and equipment. The terms of the agreements are generally between 1 and 5 years.

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

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
Payable:				
In up to 1 year	19	18	18	18
In over 1 and up to 5 years	33	39	33	38





## 25.4 Bank guarantees

The bank guarantees issued by banks on behalf of the Company and the subsidiary in respect of certain performance bonds as required in the normal course of business were as follows.

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
Guarantee of construction contract and bidding	Baht 1,533 million USD 1 million EUR 1 million	Baht 1,634 million USD 4 million	Baht 1,198 million USD 1 million	Baht 1,314 million USD 4 million
Guarantee of advance payment bond and retention	Baht 434 million EUR 2 million	Baht 237 million	Baht 176 million	Baht 94 million
Guarantee of others	Baht 5 million	Baht 9 million	Baht 5 million	Baht 6 million
Total	Baht 1,972 Million USD 1 million EUR 3 million	Baht 1,880 million USD 4 million	Baht 1,379 million USD 1 million	Baht 1,414 million USD 4 million

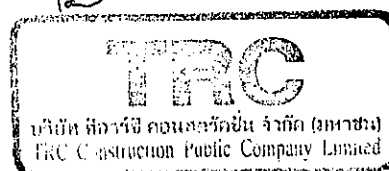
## 25.5 Guarantees

As at 30 September 2016, the Company has commitment from guarantee of liabilities under finance lease agreements of the subsidiaries totaling Baht 23 million. (31 December 2015: Baht 23 million).

## 26. Litigations

26.1 On 6 December 2011, a government agency submitted a letter to a bank to seize the bank guarantee for a tender of Baht 20 million that the Company had placed with that bank, since the government agency considered the Company to have been unable to perform in accordance with the tender.

On 29 December 2011, the Company sued that government agency and its associates (the Party) through the Central Administrative Court, seeking an order to the Party to return the bank guarantee and pay damages amounting to Baht 27.5 million plus interest at a rate of 7.5% per annum and the bank guarantee fees, from the date of the lawsuit until settlement is made. The Company believes that the Company is not to blame for its inability to perform in accordance with the tender since a law prohibited construction in accordance with the tender. In addition, the Company submitted a temporary protection request to the Central Administrative Court, to ask the Court to order protection of the bank guarantee until the Court judges this case.



On 20 May 2015, the Central Administrative Court has judged the government agency to return the bank guarantee for a tender, namely the bank guarantee, dated 31 August 2007 in amount of Baht 20 million, provide that the Company and the Bank were jointly and severally liable in amount of Baht 10 million, with interest at a rate of 7.5% per annum from the date of the lawsuit (29 December 2011) until settlement is completed within 60 days since the final judgement. The other suits, has fully dismissed.

On 19 June 2015, the government agency then submitted an appeal to the decision of the Central Administrative Court. On 16 October 2015, the Company had already resolve the appeal. However, with circumspection, the Company recognised provision for contingent liabilities in amount of Baht 20 million in the financial statements as of 30 September 2016 and 31 December 2015.

- 26.2 On 24 May 2011, a private company (the Party) lodged a civil lawsuit against a subsidiary for breach of an agreement to manufacture goods, claiming damages amounting to Baht 17.5 million, with interest at a rate of 7.5% per annum from the date of the lawsuit until settlement is completed.

On 21 September 2011, the subsidiary provided testimony to the Civil Court, denying the allegations in the lawsuit of the Party and requesting the Court to dismiss the suit and order the Party to pay the subsidiary's billing for work done under the contract, amounting to Baht 10.9 million.

On 21 July 2014, the Civil Court finalised its judgement and ordered the subsidiary to pay damages claimed to the Party at the amount of Baht 11.01 million, with 7.5% interest per annum from the lawsuit date to the final settlement date, and pay Baht 0.1 million of court fee for the Party.

The subsidiary has filed an appeal on judgement of the Civil Court because its subsidiary and the party have entered into a memorandum agreement to terminate subcontract agreement between subsidiary and the Party as a compromise agreement. As a result, the parties agreed to waive benefits. Each party shall responsible for their part without claiming to any liability or joint liability between them and/or interchangeable with third party liability. The plaintiff has waived argument. As a result, the subsidiary and the prosecution agreed to settle the dispute together.

On 8 July 2015, the subsidiary submitted the petition to submit security according to the Civil Court to suspend the execution. And the Civil Court had an order on 21 July 2015 that the subsidiary had already submitted security according to the report of officer, dated on 8 July 2015. Security consisted of the fixed deposit account and the bank statement certificate of Kasikorn Bank in amount of Baht 15.4 million including title deed and certificate of land utilisation (N.S. 3), located at Nongkradon Subdistrict, Muang District, Nakorn Sawan Province, totally 7 pieces of land, total 102 rais 9 ngan and 289 square wah as well as certificate of price appraisal of land from Nakorn Sawan Land Office, dated 3 July 2015, totally Baht 3.1 million. The Civil Court has temporarily suspended the execution until the Appeal Court will have an order to the petition of the suspension of execution.

On 20 October 2015, the Appeal Court rendered judgement that "the Appeal Court ruled to reverse the judgement of the Civil Court which disposed of the case and ordered the plaintiff and the defendant to conduct the arbitration proceedings. The Appeal Court held to withdraw the order of execution" and the Bangkok 1 Legal execution office countermanded an ordered of property attachment on 28 October 2015.

On 12 November 2015, the Court ordered the litigant to return the guarantee and to pay the appeal fees amounting to Baht 0.2 million and the cost to abide the event amounting to Baht 0.3 million to the subsidiary.

The litigant filed an appeal with the Supreme Court on 19 November 2015 and the subsidiary filed the rebuttal against the appeal on 28 January 2016. On 13 September 2016, the Supreme Court had sentenced the dismissal of action. Since the mentioned suit is not yet finalised. The subsidiary believed that the subsidiary's the fact and the matter of law can defend against the Party. Therefore, the subsidiary has not yet recognised provision for contingent liabilities in its book of account.

- 26.3 On 4 December 2007, a subsidiary lodged a lawsuit with the Central Administrative Court against a government agency (the Party), requesting an order for the Party to settle the Baht 7.7 million that the Party advanced to the subsidiary to perform work under the agreement against damages of Baht 13.4 million, and to pay the subsidiary damages of Baht 6.1 million with interest at a rate of 7.5% per annum, from the date of the lawsuit until settlement is completed. However, the Party submitted its testimony to the Central Administrative Court on 20 August 2008, noting that the damages claimed exceeded actual damage, and that the third claim compensation report, dated 16 July 2008, noted that the board of the Party had approved payment of claims to the subsidiary amounting to Baht 0.8 million, and the subsidiary thus returned an amount of Baht 6.8 million to the Party.

Facts of the case between the subsidiary and the Party have been amended a number of times.

On 20 April 2010, the Party submitted its latest testimony to the Central Administrative Court regarding the bank guarantee fee for the advance payment amounting to Baht 0.1 million, and petitioned the Court to dismiss the lawsuit and order the subsidiary to pay the Baht 7.7 million that the Party advanced to the subsidiary to perform work under the agreement.

On 24 January 2012, the subsidiary lodged its latest amended lawsuit with the Central Administrative Court, petitioning the Court to order the Party to settle the Baht 7.7 million that the Party advanced to the subsidiary against damages of Baht 19.4 million, and to pay the subsidiary damages of Baht 12.5 million, together with interest at a rate of 7.5% per annum calculated from the date of the lawsuit until settlement is completed.

In response, the Party lodged a statement of opposition to the lawsuit brought by the subsidiary and petitioned the Court to dismiss the suit and order the subsidiary to return the advance.

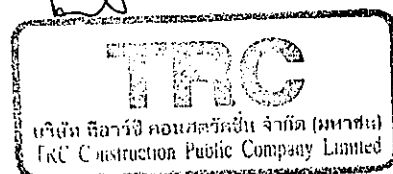
On 31 July 2012, the Central Administrative Court rendered its judgement, whereby the subsidiary is to receive Baht 3.3 million and return an amount of Baht 4.4 million to the Party. The subsidiary appealed the court's decision to the Supreme Administrative Court on 29 August 2012.

Because the case is not yet finalised, the subsidiary has not yet recorded the transactions in the financial statements.

- 26.4 On 24 April 2008, a private company and its associates (the Party) lodged the Administrative Court of Instance against the Company and its associates for its infringed, claiming damages amounting to Baht 6 million, with interest at a rate of 7.5% per annum from the date of the lawsuit until settlement is completed.

On 29 May 2012, the Administrative Court of Instance rendered its judgement to dismiss the suit. But on 20 June 2013, the Party submitted an appeal of the decision with the Supreme Administrative Court. On 9 August 2013, the Company submitted its testimony against the appeal and petitioned the Court to dismiss the suit.

The case is still being considered by the Supreme Administrative Court. The Company's management believes that there will be no significant losses to the Company as a result of this litigation and so the Company did not set aside provision for contingent liabilities in its books of account.



(Unaudited but reviewed)

26.5 On 14 September 2015, the plaintiff (the party) filed a lawsuit against a government unit and 8 co-defendants. The Company is sued as the fifth defendant under the Administrative Court for the damages for loss of income amounting to Baht 87.49 million. The Company had already filing the rebuttal against the cancellation of court fee of the party on 11 March 2016. On 28 October 2016, the Company have later submitted the litigation statement to the Administrative Court. The status and the opinion of the lawsuit are still under consideration of the sentences by the Administrative Court including the judgement determination. However, the Company's management believes that there will be no significant losses to the Company as a result of this litigation and so the Company did not set aside provision for contingent liabilities in its books of account.

## 27. Foreign currency assets and liabilities

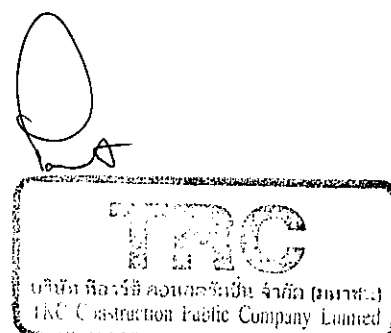
The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated / Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	30	31	30	31	30	31
	September	December	September	December	September	December
	2016	2015	2016	2015	2016	2015
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	4	6	-	1	34.6999	36.0886

As at 30 September 2016, foreign exchange contracts outstanding are summarised below.

Consolidated financial statement					
Foreign currency	Bought amount  (Million)	Sold amount  (Million)	Contractual exchange rate		Contractual maturity date
			Bought	Sold	
			(Baht per 1 foreign currency unit)		
Euro	6	-	39.13 - 40.38	-	October 2016 - March 2017

Separate financial statement					
Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought	Sold	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
Euro	5	-	39.20 - 40.38	-	October 2016 - March 2017



(Unaudited but reviewed)

## 28. Fair value hierarchy

As at 30 September 2016, the subsidiary had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Investment in mutual fund	-	106	-	106

## 29. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 November 2016.

