

TRC Construction Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2015



Independent Auditor's Report

To the Shareholders of TRC Construction Public Company Limited

I have audited the accompanying consolidated financial statements of TRC Construction Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2015, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of TRC Construction Public Company Limited for the same period.


Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.





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I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

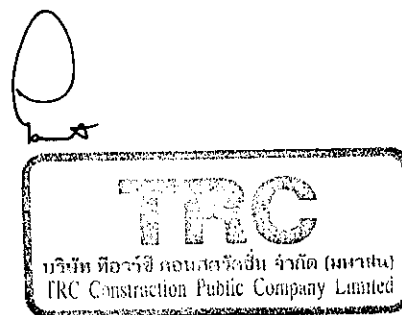
In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TRC Construction Public Company Limited and its subsidiaries and of TRC Construction Public Company Limited as at 31 December 2015, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Bangkok: 24 February 2016



TRC Construction Public Company Limited and its subsidiaries

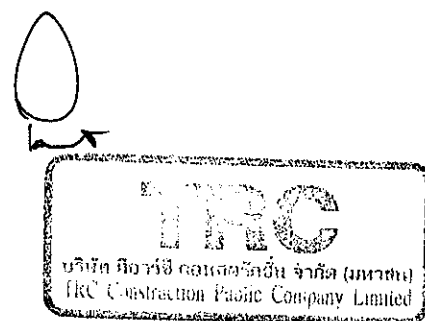
Statement of financial position

As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Assets					
Current assets					
Cash and cash equivalents	7	1,289,427,603	606,657,464	751,701,030	455,659,376
Current investments		-	36,796	-	36,796
Trade and other receivables	6, 8	636,308,426	876,685,651	534,785,535	724,579,493
Unbilled receivables	9	1,023,022,679	396,199,789	937,257,721	379,839,282
Accounts receivable - retention under construction contracts	9	164,027,050	77,596,740	147,064,107	72,633,202
Advances paid to subcontractors under construction contracts		68,468,479	10,790,902	32,680,133	8,149,747
Construction in progress	9	27,151,379	16,140,252	-	16,106,866
Construction supplies	10	14,323,750	18,653,108	14,323,750	18,653,108
Short-term loans to related parties	6	-	-	498,215,444	36,668,256
Withholding tax deducted at source	11	36,527,392	28,666,178	14,416,694	14,416,816
Other current assets		56,799,968	32,479,465	35,107,932	26,934,275
Total current assets		3,316,056,726	2,063,906,345	2,965,552,346	1,753,677,217
Non-current assets					
Restricted deposits at financial institutions	12	36,341,988	34,543,111	3,356,698	13,672,618
Investments in subsidiaries	13	-	-	475,875,637	175,412,221
Investments in joint ventures	14	2,375,587	2,444,856	2,375,587	2,375,587
Other long-term investments	15	455,225,624	50,000,000	-	-
Property, plant and equipment	16	706,700,651	455,000,457	660,582,785	425,450,291
Intangible assets	17	8,023,118	8,832,435	7,404,539	8,519,891
Deferred tax assets	29	38,419,247	11,799,911	9,773,225	8,649,645
Other non-current assets		8,728,533	4,086,196	8,653,733	3,891,759
Total non-current assets		1,255,814,748	566,706,956	1,168,022,204	637,972,012
Total assets		4,571,871,474	2,630,613,311	4,133,574,550	2,391,649,229

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



TRC Construction Public Company Limited and its subsidiaries

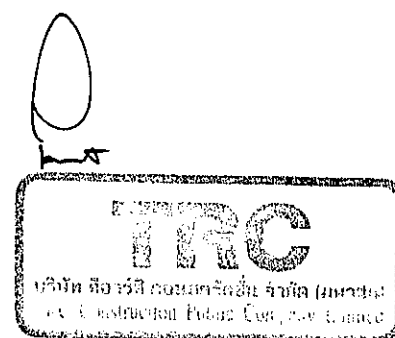
Statement of financial position (continued)

As at 31 December 2015

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	6, 18	552,784,249	458,390,399	411,672,175	384,015,604
Unbilled payables		967,852,967	337,902,779	952,317,545	310,509,538
Unearned construction revenue	9	-	149,396,081	-	149,396,081
Accounts payable - retention under					
construction contracts		37,405,074	27,732,191	25,935,678	16,721,663
Advances received from customers					
under construction contracts	9	320,987,399	105,388,441	92,353,484	105,307,263
Current portion of long-term loans	19	-	26,000,000	-	26,000,000
Provision for liabilities under					
construction projects	20	20,803,791	34,323,157	12,352,722	19,660,306
Current portion of liabilities under finance					
lease agreements	21	12,531,806	101,406	8,600,433	-
Income tax payable		1,432,892	8,360,391	571,321	8,360,391
Other current liabilities	22	52,392,866	55,760,464	39,202,355	49,073,270
Total current liabilities		1,966,191,044	1,203,355,309	1,543,005,713	1,069,044,116
Non-current liabilities					
Long-term loans - net of current portion	19	-	4,500,000	-	4,500,000
Debenture	23	100,000,000	-	100,000,000	-
Liabilities under finance lease agreements					
- net of current portion	21	31,072,138	-	16,230,068	-
Provision for long-term employee benefits	24	33,952,891	25,047,973	31,286,216	23,587,920
Provision for litigation	35.1	20,000,000	20,000,000	20,000,000	20,000,000
Total non-current liabilities		185,025,029	49,547,973	167,516,284	48,087,920
Total liabilities		2,151,216,073	1,252,903,282	1,710,521,997	1,117,132,036

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



TRC Construction Public Company Limited and its subsidiaries

Statement of financial position (continued)

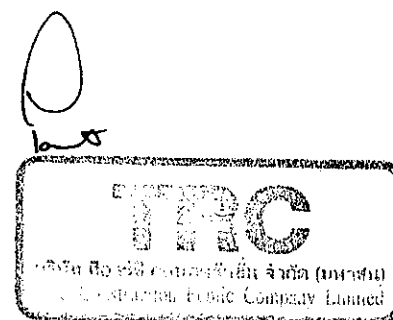
As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Shareholders' equity					
Share capital	25				
Registered					
5,242,871,458 ordinary shares of Baht 0.125 each					
(2014: 851,029,737 ordinary					
shares of Baht 0.50 each)		655,358,932	425,514,868	655,358,932	425,514,868
Issued and paid-up					
4,522,766,096 ordinary shares of Baht 0.125 each					
(2014: 822,613,706 ordinary					
shares of Baht 0.50 each)		565,345,762	411,306,853	565,345,762	411,306,853
Share premium	25	1,010,975,808	280,461,204	1,010,975,808	280,461,204
Capital reserve for share-based payment	26	10,461,029	25,956,932	10,461,029	25,956,932
Subscription received in advance from					
exercise of warrants	26	7,310,526	10,723,061	7,310,526	10,723,061
Retained earnings					
Appropriated - statutory reserve	27				
The Company		56,534,575	41,130,685	56,534,575	41,130,685
Subsidiaries		4,108,018	2,643,872	-	-
Unappropriated		778,265,668	605,991,179	772,424,853	504,938,458
Other components of shareholders' equity		10,842,835	5,587,754	-	-
Equity attributable to owners of the Company		2,443,844,221	1,383,801,540	2,423,052,553	1,274,517,193
Non-controlling interests of the subsidiaries		(23,188,820)	(6,091,511)	-	-
Total shareholders' equity		2,420,655,401	1,377,710,029	2,423,052,553	1,274,517,193
Total liabilities and shareholders' equity		4,571,871,474	2,630,613,311	4,133,574,550	2,391,649,229

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

Directors



TRC Construction Public Company Limited and its subsidiaries

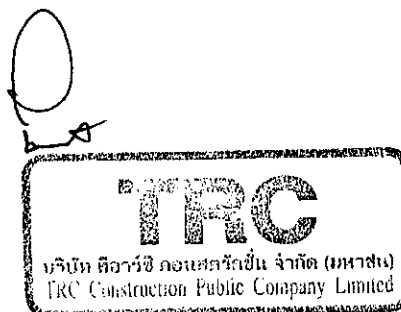
Income statement

For the year ended 31 December 2015

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
Revenues					
Construction services income	6, 9	3,880,171,798	3,095,342,223	3,506,659,619	2,393,920,166
Interest income	6	11,029,496	3,915,645	20,191,924	8,995,298
Other income	6	63,831,087	27,912,267	43,118,545	14,980,203
Total revenues		3,955,032,381	3,127,170,135	3,569,970,088	2,417,895,667
Expenses					
Cost of construction services	6	3,242,393,750	2,538,294,169	2,819,925,685	1,858,968,248
Administrative expenses		332,262,966	303,464,746	262,768,219	225,550,628
Doubtful debt (reversal)		127,330	(563,524)	(13,136,999)	4,119,222
Total expenses		3,574,784,046	2,841,195,391	3,069,556,905	2,088,638,098
Profit before finance cost and income tax expenses		380,248,335	285,974,744	500,413,183	329,257,569
Finance cost	6	(4,753,765)	(3,355,698)	(3,931,497)	(1,617,413)
Profit before income tax expenses		375,494,570	282,619,046	496,481,686	327,640,156
Income tax expenses	29	(74,543,829)	(69,371,596)	(97,355,002)	(71,971,385)
Profit for the year		300,950,741	213,247,450	399,126,684	255,668,771
Profit attributable to:					
Equity holders of the Company		305,963,357	214,923,660	399,126,684	255,668,771
Non-controlling interests of the subsidiaries		(5,012,616)	(1,676,210)		
		300,950,741	213,247,450		
Earnings per share					
30					
Basic earnings per share					
Profit attributable to equity holders					
of the Company		0.07	0.05	0.09	0.06
Diluted earnings per share					
Profit attributable to equity holders					
of the Company		0.07	0.05	0.09	0.06

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



TRC Construction Public Company Limited and its subsidiaries

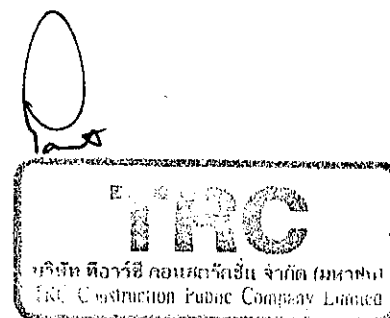
Statement of comprehensive income

For the year ended 31 December 2015

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Profit for the year	300,950,741	213,247,450	399,126,684	255,668,771
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	3,813,341	(894,407)	-	-
Loss on revaluation of investment in subsidiary	-	(2,955,890)	-	-
Actuarial gains (loss) on employee benefit	24 (1,835,483)	1,579,682	(1,104,941)	-
Income tax effect	29 367,097	(315,937)	220,988	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	2,344,955	(2,586,552)	(883,953)	-
Other comprehensive income for the year	2,344,955	(2,586,552)	(883,953)	-
Total comprehensive income for the year	303,295,696	210,660,898	398,242,731	255,668,771
Total comprehensive income attributable to:				
Equity holders of the Company	309,750,052	212,395,445	398,242,731	255,668,771
Non-controlling interests of the subsidiaries	(6,454,356)	(1,734,547)	-	-
	303,295,696	210,660,898		

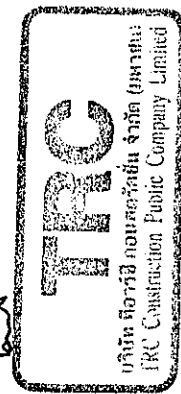
The accompanying notes are an integral part of the financial statements.



TRC Construction Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2015

Consolidated financial statements													(Unit: Baht)
Equity attributable to the parent's shareholders													
	Note	Equity attributable to the parent's shareholders					Other components of equity						
		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	Unappropriated	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 owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
						The Company	Subsidiary						
Balance as at 1 January 2014		408,293,386	257,908,880	8,239,851	-	38,258,410	2,213,602	9,378,714	-	9,378,714	1,157,846,568	(3,988,031)	1,153,858,537
Profit for the year		-	-	-	-	-	-	(936,070)	-	(3,791,980)	214,923,660	(1,676,210)	213,247,450
Total comprehensive income for the year		-	-	-	-	-	-	(936,070)	(2,955,890)	(3,791,980)	(2,528,215)	(58,337)	(2,586,552)
Increase in capital from exercise of warrants	25	-	-	-	-	-	-	(836,070)	(2,955,890)	(3,791,980)	212,395,445	(1,734,347)	210,660,898
Subscription received in advance from exercise of warrants	26	-	-	-	-	-	-	-	-	-	-	-	-
Share-based payment transactions	26	-	-	-	-	-	-	-	-	-	-	-	-
Decrease in non-controlling interests from change in investment in subsidiary	27	-	-	-	-	-	-	-	-	-	-	-	-
Appropriated to statutory reserve	27	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	31	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2014		411,306,853	280,461,204	25,956,932	10,723,061	41,130,685	2,643,872	8,543,644	(2,955,890)	5,587,754	1,383,801,540	(6,091,511)	1,377,710,029
Balance as at 1 January 2015		411,306,853	280,461,204	25,956,932	10,723,061	41,130,685	2,643,872	8,543,644	(2,955,890)	5,587,754	1,383,801,540	(6,091,511)	1,377,710,029
Profit for the year		-	-	-	-	-	-	5,255,081	-	5,255,081	305,963,357	(5,012,616)	300,950,741
Total comprehensive income for the year		-	-	-	-	-	-	5,255,081	-	5,255,081	3,786,695	(1,441,740)	2,344,955
Increase in capital	25	-	-	-	-	-	-	5,255,081	-	5,255,081	309,750,052	(6,454,356)	303,295,696
Increase in capital from share dividend	25, 31	-	-	-	-	-	-	-	-	-	-	-	-
Increase in capital from exercise of warrants	25	-	-	-	-	-	-	-	-	-	-	-	-
Subscription received in advance from exercise of warrants	26	-	-	-	-	-	-	-	-	-	-	-	-
Share-based payment transactions	26	-	-	-	-	-	-	-	-	-	-	-	-
Appropriated to statutory reserve	27	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	31	-	-	-	-	-	-	-	-	-	-	-	-
Subsidiary paid dividend to non-controlling interests of subsidiary		-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2015		585,345,762	1,010,975,508	10,461,029	7,310,528	56,534,575	4,108,018	13,798,725	(2,955,890)	10,842,835	2,443,844,221	(10,642,953)	2,423,655,401

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



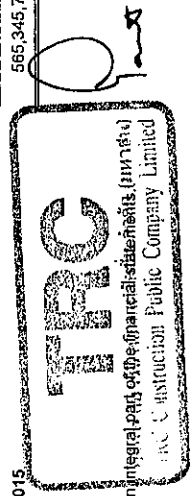
TRC Construction Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2015

(Unit: 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 2014	408,293,386	257,908,880	8,239,851	-	38,258,410	292,957,301	1,005,857,828		
Profit for the year	-	-	-	-	-	255,668,771	255,668,771		
Total comprehensive income for the year	-	-	-	-	-	255,668,771	255,668,771		
Increase in capital from exercise of warrants	3,013,467	22,552,324	(7,304,184)	(18,261,607)	-	-	-		
Subscription received in advance from exercise of warrants	-	-	-	28,984,668	-	-	28,984,668		
Share-based payment transactions	-	-	25,021,265	-	-	-	25,021,265		
Appropriated to statutory reserve	-	-	-	-	2,872,275	(2,872,275)	-		
Dividend paid	-	-	-	-	-	(40,815,339)	(40,815,339)		
Balance as at 31 December 2014	411,306,853	280,461,204	25,956,932	10,723,061	41,130,685	504,938,458	1,274,517,193		
Balance as at 1 January 2015	411,306,853	280,461,204	25,956,932	10,723,061	41,130,685	504,938,458	1,274,517,193		
Profit for the year	-	-	-	-	-	399,126,684	399,126,684		
Other comprehensive income for the year	-	-	-	-	-	(883,953)	(883,953)		
Total comprehensive income for the year	-	-	-	-	-	398,242,731	398,242,731		
Increase in capital	41,250,000	671,880,000	-	-	-	-	713,130,000		
Increase in capital from share dividend	103,817,200	-	-	-	-	(103,817,200)	-		
Increase in capital from exercise of warrants	8,971,709	58,634,604	(19,309,586)	(48,296,727)	-	-	-		
Subscription received in advance from exercise of warrants	-	-	-	44,884,192	-	-	44,884,192		
Share-based payment transactions	-	-	3,813,683	-	-	-	3,813,683		
Appropriated to statutory reserve	-	-	-	-	15,403,890	(15,403,890)	-		
Dividend paid	-	-	-	-	-	(11,535,246)	(11,535,246)		
Balance as at 31 December 2015	565,345,762	1,010,975,808	10,461,029	7,310,526	56,534,575	772,424,853	2,423,052,553		



The accompanying notes are an integral part of the financial statements. (บริษัทมหาชน จำกัด) TRC Construction Public Company Limited

TRC Construction Public Company Limited and its subsidiaries

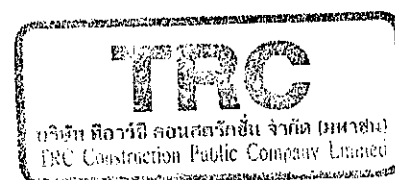
Cash flow statement

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit before tax	375,494,570	282,619,046	496,481,686	327,640,156
Adjustments to reconcile profit before tax				
to net cash provided by (paid from) operating activities				
Depreciation and amortisation	79,401,685	53,761,363	61,841,270	32,456,343
Allowance for doubtful debt (reversal)	127,330	(563,524)	(13,136,999)	4,119,222
Unrealised loss (gain) on exchange rate	15,641,691	(4,760,473)	15,336,169	(5,447,106)
Gain on disposal of property, plant and equipment	(36,362,321)	(8,990,848)	(27,730,902)	(112,148)
Loss on write-off of tools, equipments and intangible assets	533,602	602,362	525,054	446,877
Loss on write-off of withholding tax	-	657,298	-	657,298
Gain from dissolution of joint venture	(34,472)	-	-	-
Expense for share - based payment transactions	3,813,682	25,021,265	3,350,266	22,654,602
Reversal of unbilled payables	(51,122,170)	(7,000,000)	(51,122,170)	(7,000,000)
Provision for liabilities under construction projects	8,940,635	20,429,670	1,053,927	7,800,000
Provision for long-term employee benefits	7,511,967	6,730,211	6,583,355	4,427,781
Interest income	(11,029,496)	(3,915,645)	(20,191,924)	(8,995,298)
Interest expenses	3,690,495	1,229,910	3,336,074	413,424
Profit from operating activities before changes in				
operating assets and liabilities	396,607,198	365,820,635	476,335,806	379,061,151
(Increase) decrease in operating assets				
Trade and other receivables	245,417,289	(632,509,871)	195,453,594	(632,543,775)
Unbilled receivables	(621,119,716)	391,270,889	(551,715,265)	323,210,674
Accounts receivable - retention	(86,430,310)	28,225,605	(74,430,905)	28,439,280
Advance paid to subcontractors under construction contracts	(55,735,254)	(1,183,528)	(22,588,064)	(2,030,238)
Construction in progress	(11,011,127)	(13,690,251)	16,106,866	(13,681,522)
Construction supplies	4,329,358	48,692,061	4,329,358	48,692,061
Other current assets	(22,575,097)	4,750,891	(6,429,239)	(2,530,812)
Other non-current assets	(4,642,337)	2,719,136	(4,761,974)	2,464,480
Increase (decrease) in operating liabilities				
Trade and other payables	54,475,393	132,918,166	(15,099,869)	187,620,864
Unbilled payables	681,072,358	248,374,608	692,930,177	252,683,810
Unearned construction revenue	(148,931,097)	115,161,401	(148,931,097)	115,111,209
Accounts payable - retention	9,672,883	11,862,414	9,214,015	9,115,781
Advances received from customers under construction contracts	211,905,264	(88,396,638)	(16,647,473)	(83,657,039)
Provision for liabilities under construction projects	(22,480,001)	(4,509,650)	(8,361,511)	(4,299,122)
Other current liabilities	(3,367,598)	41,301,432	(9,870,915)	38,721,383
Provision for long-term employee benefits	(457,334)	(3,248,129)	-	-
Cash flows from operating activities	626,749,872	647,559,171	535,533,504	646,379,185
Cash received from withholding tax refund	-	27,186,193	-	2,854,277
Cash paid for income tax	(115,584,780)	(81,862,594)	(106,046,541)	(65,196,848)
Net cash flows from operating activities	511,165,092	593,082,770	429,486,963	584,036,614

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



TRC Construction Public Company Limited and its subsidiaries

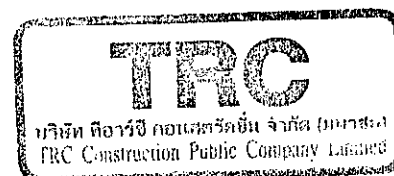
Cash flow statement (continued)

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from investing activities				
Decrease (increase) in current investments	36,796	(362)	36,796	(362)
Decrease (increase) in restricted deposits at financial institutions	(1,798,877)	48,130,780	10,315,920	33,625,010
Increase in short-term loans to related parties	-	-	(455,063,476)	(237,113)
Cash paid for investing in subsidiary	-	-	(300,000,000)	-
Cash received from dissolution of joint venture	103,741	-	-	-
Cash paid for investments in joint venture	-	(2,375,587)	-	(2,375,587)
Cash paid for purchase of other long-term investment	(405,225,624)	-	-	-
Interest income	7,809,611	10,626,963	16,991,839	6,798,718
Cash received from disposal of property, plant and equipments	75,870,781	9,818,205	65,624,288	112,149
Cash paid for purchase of property, plant and equipments	(303,399,162)	(175,347,715)	(281,271,301)	(166,973,272)
Cash paid for purchase of intangible assets	(1,940,165)	(3,209,390)	(1,577,965)	(3,209,390)
Net cash flows used in investing activities	(628,542,899)	(112,357,106)	(944,943,899)	(132,259,847)
Cash flows from financing activities				
Decrease in bank overdrafts and short-term loans from financial institutions	-	(33,373,389)	-	-
Repayment of long-term loans	(30,500,000)	(19,500,000)	(30,500,000)	(19,500,000)
Cash received from short-term loans from related party	-	-	100,000,000	170,000,000
Repayment of short-term loans from related party	-	-	(100,000,000)	(170,000,000)
Cash received from issuance of ordinary shares	726,000,000	-	726,000,000	-
Cash paid for transaction costs from issuance of ordinary shares	(12,870,000)	-	(12,870,000)	-
Cash received from issuance of debentures	100,000,000	-	100,000,000	-
Subscription received in advance from exercise of warrants	7,310,526	10,723,061	7,310,526	10,723,061
Cash received from increase in capital due to exercise of warrants	37,573,666	18,261,607	37,573,666	18,261,607
Dividend paid	(11,535,246)	(40,815,339)	(11,535,246)	(40,815,339)
Subsidiary paid dividend to non-controlling interests of subsidiary	(10,642,953)	-	-	-
Interest expenses	(2,605,227)	(3,768,966)	(2,250,806)	(2,952,481)
Decrease in liabilities under finance lease agreements	(4,632,841)	(243,374)	(2,229,550)	-
Decrease in non-controlling interests	-	(368,934)	-	-
Net cash flows from (used in) financing activities	798,097,925	(69,085,334)	811,498,590	(34,283,152)
Increase (decrease) in translation adjustments	2,050,021	(545,399)	-	-
Net increase in cash and cash equivalents	682,770,139	411,094,931	296,041,654	417,493,615
Cash and cash equivalents at beginning of the year	606,657,464	195,562,533	455,659,376	38,165,761
Cash and cash equivalents at end of the year (Note 7)	1,289,427,603	606,657,464	751,701,030	455,659,376

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



TRC Construction Public Company Limited and its subsidiaries

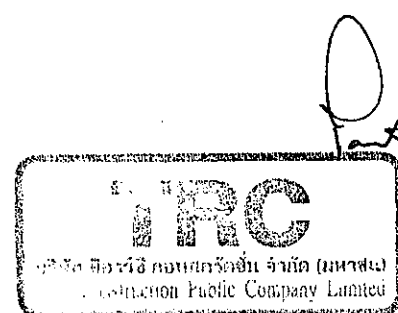
Cash flow statement (continued)

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Supplemental cash flows information				
Non-cash items consist of				
Purchase of fixed assets under financial lease	43,603,944	-	24,830,501	-
Purchase of fixed assets that have yet to be paid	24,934,361	7,029,994	24,920,261	6,952,042
Purchase of fixed assets offset against advance receivable	-	-	7,308,816	-
Interest expenses recorded as cost of project				
and construction in progress	190,920	2,503,584	190,920	2,503,584
Issuance of stock dividend	103,817,200	-	103,817,200	-
Actuarial gain (loss) on employee benefit	(1,835,483)	1,579,682	(1,104,941)	-

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



TRC Construction Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2015

1. General 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.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

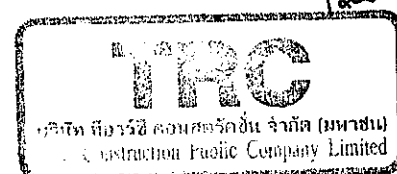
The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

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

2.2 Basis of consolidation

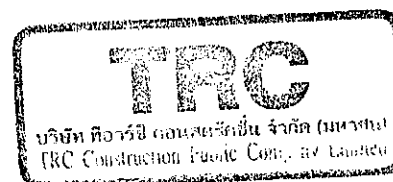
- a) The consolidated financial statements include the financial statements of TRC Construction Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries").

Company's name	Nature of business	Country of Incorporation	Percentage of shareholding	
			<u>2015</u> (%)	<u>2014</u> (%)
<u>Held by the Company</u>				
Sahakarn Wisavakorn Company Limited	Construction services - basic infrastructure	Thailand	99.99	99.99
TRC Investment Limited	Holding company	The Republic of Mauritius	100.00	100.00



Company's name	Nature of business	Country of Incorporation	Percentage of shareholding	
			2015 (%)	2014 (%)
<u>Held by the Company's subsidiaries</u>				
CR3 and Sahakarn Joint Venture Company Limited (held by Sahakarn Wisavakorn Company Limited)	Construction services	Thailand	-	-
Hydrotek Sahakarn Joint Venture (held by Sahakarn Wisavakorn Company Limited)	Construction services	Thailand	49.00	-
TRC International Limited (held by TRC Investment Limited)	Holding company	Hong Kong	100.00	100.00
TRC Middle East LLC (held by TRC International Limited)	Construction services	Sultanate of Oman	70.00	70.00
TRC Engineering LLC (held by TRC International Limited)	Construction services	Sultanate of Oman	70.00	70.00

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company, except for two subsidiaries applies different accounting policies from the group companies, such as with respect to deferred tax. However, no adjustment of differences has been performed because the effects of the differences in accounting policies are immaterial to the profit or loss in the consolidated financial statements for the years ended 31 December 2015 and 2014.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using yearly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- f) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.



- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries and joint ventures under the cost method.

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

(a) Financial reporting standard that became effective in the current year

The Company and its subsidiaries have adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. 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 and its subsidiaries' financial statements. However, some of these standards involve changes to key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

This revised accounting standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the former accounting standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised accounting standard does not have any impact on the financial statements as the Company and its subsidiaries already recognise actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

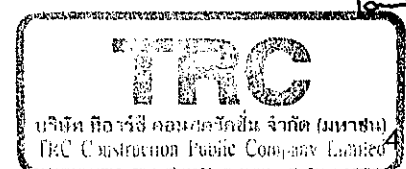
TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 Consolidated and Separate Financial Statements dealing with consolidated financial statements. This financial reporting standard changes the principles used in considering whether control exists. Under this financial reporting standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This financial reporting standard does not have any impact on the Company's and its subsidiaries' financial statements.

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 *Interests in Joint Ventures*. This financial reporting standard requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognise its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the financial statements in which the equity method is applied or the consolidated financial statements (if any), and at cost in the separate financial statements.

This financial reporting standard does not have any impact on the financial statements since the Company and its subsidiaries already apply the equity method to account for the investment in a joint venture.



TFRS 12 Disclosure of Interests in Other Entities

This financial reporting standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This financial reporting standard therefore has no financial impact on the financial statements of the Company and its subsidiaries.

TFRS 13 Fair Value Measurement

This financial reporting standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this financial reporting standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This financial reporting standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

(b) Financial reporting standard issued during the period and not yet effective

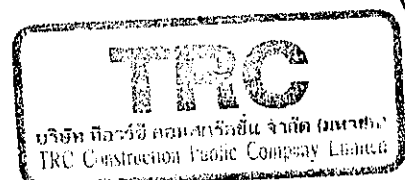
During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards (revised 2015) which are effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied.

4. Significant accounting policies

4.1 Revenue recognition

Rendering of construction services

Services income from construction contracts is recognised on the basis of percentage of completion based on the assessment of the project engineer, and also compared with the percentage of completion which is arrived at based on the proportion of actual construction costs incurred up to the end of the year to the total anticipated construction costs. Allowance for the total anticipated loss on construction projects will be made in the accounts as soon as the possibility of loss is ascertained.



The recognised revenues which have not yet been due as per contracts have been shown under the caption of "Unbilled receivable" in the statements of financial position.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

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

4.2 Cost of construction services and expenses

In determining cost of construction services, the total anticipated construction costs are attributed to each construction projects and then recognised as cost of services in profit or loss on the basis of percentage of completion.

The recognised cost of construction which have not yet been due have been shown under the caption of "Unbilled payable" in the statements of financial position.

The actual cost of construction incurred but not yet recognised as cost of services in profit or loss has been regarded as "Construction in progress" in the statements of financial position.

Construction in progress includes the cost of raw material, direct labour and other expenses incurred for each project. Such construction in progress is valued at the lower of cost or net realisable value.

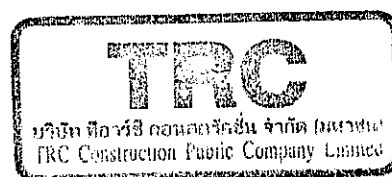
Expenses are recognised on an accrual basis.

4.3 Cash and cash equivalents

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

4.4 Trade and other receivables

Trade and other receivables are stated at the net realisable value. Allowance for doubtful debts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.



4.5 Investments

- a) Investments in joint ventures are accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiaries and joint ventures are accounted for in the separate financial statements using the cost method less provision for impairment of investments (if any).
- c) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised as income or expenses in profit or loss.

4.6 Property, plant and equipment/Depreciation

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

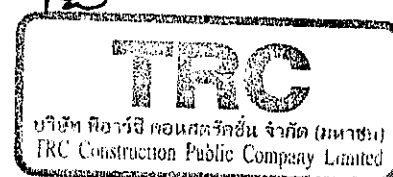
Depreciation of building and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Building and leasehold improvement	3 - 30	years
Tools and equipment	5	years
Furniture, fixtures and office equipment	3 - 5	years
Motor vehicles	5	years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

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



4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.8 Intangible assets

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

A summary of the intangible assets with finite useful lives is as follows.

	<u>Useful lives</u>
Computer software	3 - 10 years

4.9 Related party transactions

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

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

4.10 Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as financial leases. Financial leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to profit or loss over the lease period. The property, plant and equipment acquired under financial leases is depreciated over the useful life of the asset.

Lease of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.11 Foreign currencies

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

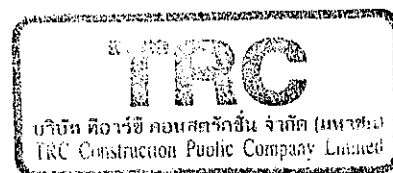
Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.12 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company and its subsidiaries also carry out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.



In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

4.13 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

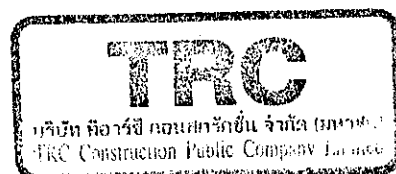
The Company, its subsidiaries and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company and its subsidiaries' contributions are recognised as expenses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

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat the severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.



4.14 Provisions

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

4.15 Income tax

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

Current tax

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

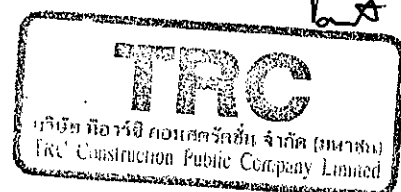
Deferred tax

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

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

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

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.



4.16 Fair value measurement

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

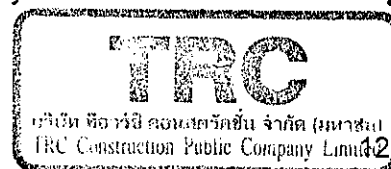
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

4.17 Equity-settled share-based payment transactions

The Company recognises share-based payment transactions when services from employees are rendered, based on the fair value of the share options on the grant date. The expenses are recorded over the vesting period, in accordance with the conditions regarding length of service rendered by employees stipulated in the share-based payment plan, together with a corresponding increase in "Capital reserve for share-based payment transactions" in shareholders' equity.



Estimating fair value for share-based payment transactions requires management to exercise judgement, and to apply assumptions, including as to the expected life of the share options, share price volatility and dividend yield.

5. Significant accounting judgements and estimates

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

Consolidation of subsidiaries that the Company holds less than half of shares

The management of the Company determined that Sahakarn Wisavakorn Company Limited has control over Hydrotek Sahakarn Joint Venture, even though the holding of 49% of shares and voting rights that is less than half of shares and voting rights. This is because Sahakarn Wisavakorn Company Limited is a major shareholder and has the ability to direct the significant activities. As a result, Hydrotek Sahakarn Joint Venture is deemed to be a subsidiary of the Group and has to be included in the consolidated financial statements from the date on which the Company assumed control.

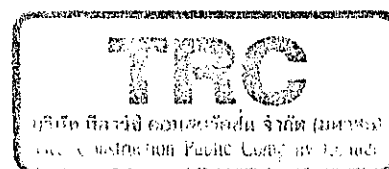
Estimated construction project costs

Management applied judgement in estimating the costs of construction projects based on details of the construction work, taking into account the volume and value of construction materials to be used in the project, labour costs and other miscellaneous costs to be incurred to completion of service, taking into account the direction of the movement in these costs.

Provision for liabilities under construction projects

Provision for liabilities under project warranties

A provision is recognised for expected warranty claims in respect of construction projects completed during the year, based on repair expenses expected to be paid in the future, actual costs incurred in the past and the contract value. It is expected that most of these costs will be incurred in the next financial year and all will have been incurred within two years of the end of reporting period.



Provision for losses on construction projects

A provision is recognised for the loss expected to be realised on each construction project, based on estimates of anticipated costs that take into account the progress of the project and actual costs incurred to the completion date.

Provision for penalties due to project delays

A provision is recognised for the loss expected to be realised on construction projects that cannot be completed within the stipulated timeframe. The loss is estimated based on the penalty rate stipulated in the contract and the amount expected to be paid in the future.

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risks and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

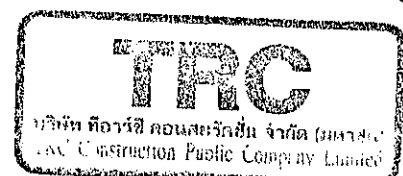
In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Impairment of investments

The Company and its subsidiaries treat these investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement of the management.



Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the Company's plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation

The Company and its subsidiary have contingent liabilities as a result of litigation. The Company's management has used judgement to assess of the results of the litigation, as described in Note 35.

6. Related party transactions

During the years, 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.

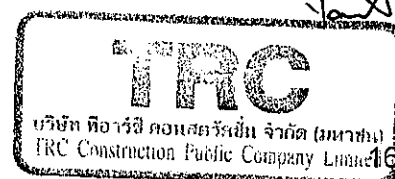
(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2015	2014	2015	2014	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Cost of construction services	-	-	8	-	Cost plus margin
Interest income	-	-	12	6	At rate of 3.5 - 7.0% p.a.
Interest expense	-	-	-	1	At rate of 5.5% p.a. (2014: 3.0% p.a.)
<u>Transactions with related parties</u>					
Construction services income	1,132	462	1,132	462	Cost plus margin
Rental income	3	-	3	-	Contract price

As at 31 December 2015 and 2014, the balances of the accounts between the Company, its subsidiaries and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<u>Trade and other receivables - related parties (Note 8)</u>				
Subsidiary companies	-	-	7,180	5,784
Joint venture	70,134	298,150	70,134	298,150
Shareholder of subsidiary	13,464	24,094	-	-
Related party (related by co-director)	24	-	24	-
Total	83,622	322,244	77,338	303,934
<u>Trade and other payables - related parties (Note 18)</u>				
Subsidiary companies	-	-	11,168	5,120
Total	-	-	11,168	5,120



Short-term loans to related parties

As at 31 December 2015 and 2014, the balance of loans between the Company and those related companies and the movement are as follows:

(Unit: Thousand Baht)

		Separate financial statements				
Short-term loans	Related by	Balance as at		Exchange rate adjustment	Balance as at	
		31 December 2014	Increase		31 December 2015	
TRC Investment Limited	Subsidiary company	1,669	441,126	-	39	442,834
TRC International Limited	Subsidiary company	34,999	50,000	(29,618)	-	55,381
TRC Engineering LLC	Subsidiary company	63,068	-	(6,445)	-	56,623
Total		99,736	491,126	(36,063)	39	554,838
Less: Allowance for doubtful debts		(63,068)	-	6,445	-	(56,623)
Net		36,668	491,126	(29,618)	39	498,215

Short-term loans to related parties carried interest at rates of 3.5% - 7.0% per annum (2014: 3.5% - 7.0% per annum) and due for repayment on demand.

Short-term loans from related party

As at 31 December 2015 and 2014, the balance of loans between the Company and this related company and the movement are as follows:

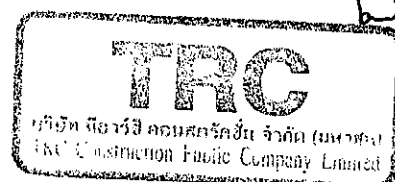
(Unit: Thousand Baht)

		Separate financial statements			
Short-term loan	Related by	Balance as at		Balance as at	
		31 December 2014	Increase	Decrease	31 December 2015
Sahakarn Wisavakorn	Subsidiary company				
Company Limited		-	100,000	(100,000)	-

Short-term loans from related party carried interests at rates of 5.5% per annum (2014: 3.0% per annum) and due for repayment on demand.

Directors and management's benefits

During the years ended 31 December 2015 and 2014, the Company and its subsidiaries had employee benefit expenses of their directors and management as below.



(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Short-term employee benefits	35	24	35	23
Post-employment benefits	4	3	4	3
Share-based payment	1	2	1	2
Total	40	29	40	28

Guarantee obligations with related parties

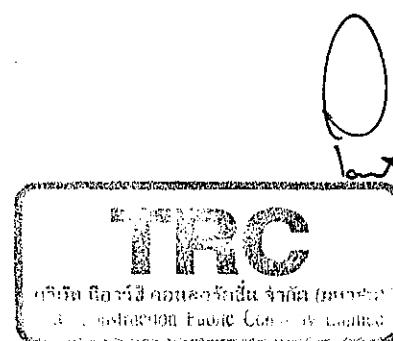
The Company has outstanding guarantee obligations with its related parties, as described in Note 34.4.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Cash	1,724	2,242	723	358
Deposits at financial institutions	659,138	133,208	450,086	91,148
Investment in mutual fund	178,566	171,207	892	114,153
Investment in bill of exchanges	450,000	300,000	300,000	250,000
Total	1,289,428	606,657	751,701	455,659

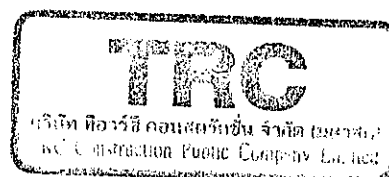
As at 31 December 2015, deposits in saving accounts, fixed deposits and bills of exchange carried interests between 0.25% and 2.07% per annum (2014: between 0.10% and 2.07% per annum).



8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	66,313	167,900	66,313	167,900
Past due				
Up to 3 months	-	125,822	-	125,822
Total trade accounts receivable - related parties, net	66,313	293,722	66,313	293,722
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	530,901	519,454	436,642	401,630
Past due				
Up to 3 months	16,492	20,780	16,460	12,817
Over 12 months	18,391	17,178	4,383	4,383
Total trade accounts receivable - unrelated parties	565,784	557,412	457,485	418,830
Less: Allowance for doubtful debts	(16,311)	(16,311)	(4,383)	(4,383)
Translation adjustment	(2,081)	(867)	-	-
Total trade accounts receivable - unrelated parties, net	547,392	540,234	453,102	414,447
Total trade accounts receivable - net	613,705	833,956	519,415	708,169
<u>Other receivables</u>				
Advance to related parties	17,309	28,522	6,304	11,525
Interest receivable from related parties	-	-	10,448	11,106
Others	5,421	14,208	4,346	6,198
Total other receivables	22,730	42,730	21,098	28,829
Less: Allowance for doubtful debt	(127)	-	(5,727)	(12,419)
Total other receivables - net	22,603	42,730	15,371	16,410
Total trade and other receivables - net	636,308	876,686	534,786	724,579

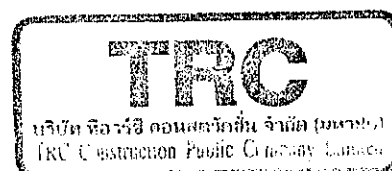


The Company and the subsidiary transferred rights to receive payment under construction contracts to secure the credit facilities with financial institutions. Pledged accounts receivable amounting to 524 million included in the accounts receivable balance as at 31 December 2015 (the Company only: Baht 503 million) (2014: Baht 690 million, the Company only: Baht 623 million).

9. Accounts receivable - retention/advances received from customers under construction contracts

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Amount of contract revenue recognised as revenue in the year	3,880,172	3,095,342	3,506,660	2,393,920
Aggregate amount of construction costs incurred to date	8,851,110	10,191,382	6,216,857	5,809,755
Adjust with the recognised profits to date	1,637,843	1,725,629	1,424,273	1,292,739
	10,488,953	11,917,011	7,641,130	7,102,494
Sum of progress billings	(9,853,193)	(11,784,342)	(6,796,225)	(6,961,251)
Translation adjustment	93,427	24,887	-	-
	729,187	157,556	844,905	141,243
Gross amount due from customers for contract work consists of				
Unbilled receivable	1,023,023	396,200	937,258	379,839
Construction in progress	27,151	16,140	-	16,107
	1,050,174	412,340	937,258	395,946
Gross amount due to customers for contract work consists of				
Unearned construction revenue	-	(149,396)	-	(149,396)
Advance received from customers	(320,987)	(105,388)	(92,353)	(105,307)
under construction contracts	(320,987)	(254,784)	(92,353)	(254,703)
	729,187	157,556	844,905	141,243
Accounts receivable - retention under construction contracts	164,027	77,597	147,064	72,633



10. Construction supplies

(Unit: Thousand Baht)

	Consolidated / Separate financial statements					
	Cost		Reduce cost to net		Construction supplies - net	
	2015	2014	2015	2014	2015	2014
Construction supplies	20,072	24,401	(5,748)	(5,748)	14,324	18,653
Total	20,072	24,401	(5,748)	(5,748)	14,324	18,653

11. Withholding tax deducted at source

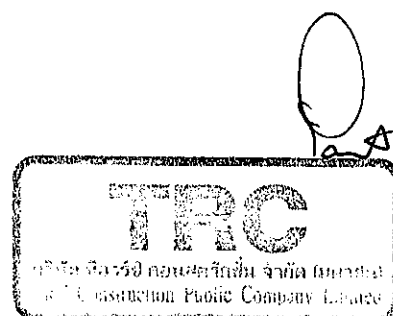
(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Year 2013	14,416	14,416	14,416	14,416
Year 2014	14,250	14,250	-	-
Year 2015	7,861	-	-	-
	36,527	28,666	14,416	14,416

The Company and its subsidiary regard withholding tax deducted at source as an asset since they are entitled to claim for a refund of such tax. However, the net realisable value of tax refund is subject to the exercise of the claim right by the Company and its subsidiary, and to the result of an audit of the Company's and its subsidiary's taxes by Revenue Department officials.

12. 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 Company and subsidiaries, as described in Note 34.3.



13. Investments in subsidiaries

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

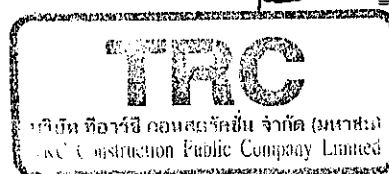
Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage		Cost method	
			2015	2014	2015	2014	2015	2014
					(%)	(%)	Baht	Baht
Sahakarn Wisavakorn Company Limited	Construction services - basic infrastructure	Thailand	500,000,000 Baht	200,000,000 Baht	99.99	99.99	620,947,021	320,483,605
TRC Investment Limited	Holding company	The Republic of Mauritius	1 USD	1 USD	100.00	100.00	32	32
Total							620,947,053	320,483,637
Less: Allowance for loss on impairment of investment							(145,071,416)	(145,071,416)
Total investments in subsidiaries - net							475,875,637	175,412,221

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

On 16 April 2015, the 2015 Annual General Meeting of Sahakarn Wisavakorn Company Limited, which is the Company's subsidiary, passed a resolution approving an increase in the registered capital from Baht 200 million to Baht 500 million, through the issuance of an additional 30 million ordinary shares to be offered to existing shareholders at an offer price of Baht 10 each, representing a total investment of Baht 300 million. The subsidiary received the full payment of additional shares on 13 May 2015 and registered the increase in its paid-up share capital with the Ministry of Commerce on 14 May 2015.

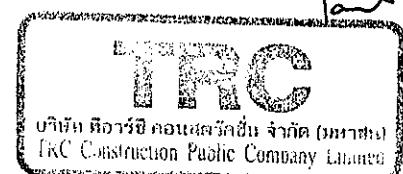
Details of investments in subsidiaries which are held by the Company's subsidiaries are as follows:

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage		Cost method	
			2015	2014	2015	2014	2015	2014
							Baht	Baht
<u>Held by Sahakarn Wisavakorn Company Limited</u>								
CR3 and Sahakarn Joint Venture Company Limited	Construction services	Thailand	-	-	-	-	-	-
Hydrotek Sahakarn Joint Venture	Construction services	Thailand	1,000,000 Baht	-	49.00	-	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							26,466,869	25,976,869
Less: Allowance for loss on impairment of investment							(13,654,506)	(13,654,506)
Total investments in subsidiaries which are held by the Company's subsidiaries - net							12,812,363	12,322,363



On 5 March 2015, Sahakarn Wisavakorn Company Limited, which is the Company's subsidiary, established CR3 and Sahakarn Joint Venture Company Limited, holding 51% of the new subsidiary's capital and representing an investment of Baht 0.51 million. On 30 March 2015, the Meeting No. 4/2015 of the Company's Board of Directors passed a resolution approving an increase in the registered capital and the issued and paid-up capital of CR3 and Sahakarn Joint Venture Company Limited from Baht 1 million to Baht 500 million through the issuance of an additional 4.99 million ordinary shares to be offered to existing shareholders at an offer price of Baht 100 each, representing a total investment of Baht 499 million, with Sahakarn Wisavakorn Company Limited being entitled to purchase 51% of these, representing an investment of Baht 254.49 million. On 17 April 2015, CR3 and Sahakarn Joint Venture Company Limited arranged the 2015 Annual General Meeting of shareholders to approve the increase in the registered capital and registered the resolution to increase in registered capital with the Ministry of Commerce on 27 April 2015. In May 2015, Sahakarn Wisavakorn Company Limited paid for the new shares of CR3 and Sahakarn Joint Venture Company Limited in the amount of Baht 5 million. As a result, CR3 and Sahakarn Joint Venture Company Limited had issued and paid-up share capital amount of Baht 6 million. The shareholding of Sahakarn Wisavakorn Company Limited in CR3 and Sahakarn Joint Venture Company Limited increased to 91%. In order to minimised the administrative expenses, the management dissolved CR3 and Sahakarn Joint Venture Company Limited because such company did not bid for works from the State Railway of Thailand and had no plan to continue its business. The liquidation process was completed on 28 December 2015.

On 17 June 2015, Sahakarn Wisavakorn Company Limited, which is the Company's subsidiary, entered into joint ventures contract with Hydrotek Public Company Limited under the name of "Hydrotek Sahakarn Joint Venture" in order to bid and execution a new project namely "Construction, Improvement and Expansion of Waterworks, Koh Samui Branch, Koh Samui District, Surat Thani Province Phase 1, Part 2" (water pipeline from Don Sak-under the sea-Koh Samui) from Provincial Waterworks Authority. The portion of investment between Sahakarn Wisavakorn Company Limited and Hydrotek Public Company Limited was 49% and 51%, respectively. Later, both parties agree that Sahakarn Wisavakorn Company Limited will be responsible for project execution whereas Hydrotek Public Company Limited will not share any gain and loss as well as damage maybe arisen from this project.



14. Investments in joint ventures

Details of investments in joint ventures are as follows:

(Unit: Thousand Baht)

Joint ventures	Nature of business	Consolidated / Separate financial statements							
		Shareholding percentage		Cost		Carrying amounts based on equity method		Share of loss from investments in joint venture during the year	
		2015	2014	2015	2014	2015	2014	2015	2014
		(%)	(%)						
<u>Held by the Company</u>									
Sinopec-TRC Joint Venture	Construction	30	30	2,376	2,376	2,376	2,376	-	-
<u>Held by Sahakarn Wisavakorn Company Limited</u>									
The Joint Venture of SSP*	Construction	-	40	-	1,092	-	69	-	-
Total				2,376	3,468	2,376	2,445	-	-
Less: Allowance for loss on impairment of investment				-	(1,092)	-	-		
Total investment in joint venture - net				2,376	2,376	2,376	2,445		

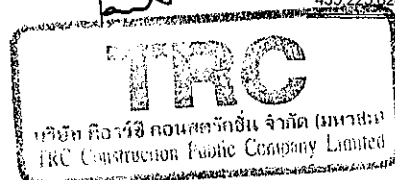
* Registered the dissolution with the Revenue Department on 30 April 2015

The consolidated financial statements for the year ended 31 December 2015 and 2014 do not include share of loss on investment in Sinopec-TRC Joint Venture because, during the year, the Company subcontracts a part of the operation from which the operating income is included in the consolidated financial statements.

15. 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	
			2015	2014	2015	2014	2015	2014
					(%)	(%)	Baht	Baht
<u>Held by TRC Investment Limited</u>								
Asia Africa Energy Limited	Holding company	Hong Kong	USD 64	USD 64	5.00	5.00	2,010	2,010
Rainbow Power Integrated Concept Limited	Development and investment in natural gas sector	Nigeria	USD 6,957	USD 6,957	8.00	8.00	243,518	243,518
ASEAN Potash Chaiyaphum Public Company Limited	Mining industries	Thailand	Baht 2,060,837,300	Baht 1,685,337,300	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	Baht 1,685,337,300	3.64	2.97	100,000,000	50,000,000
Total							455,471,152	50,245,528
Less: Allowance for loss on impairment of investment							(245,528)	(245,528)
Total other long-term investments - net							455,225,624	50,000,000



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) (Formerly known as ASEAN Potash Mining Public Company Limited (APMC)) by purchasing additional 250,000 ordinary shares from its shareholders at Baht 200 per share, a total of Baht 50 million.

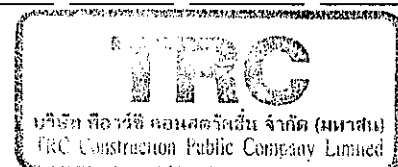
On 16 September 2015, the Meeting No. 9/2015 of the Company's Board of Directors approved TRC Investment Limited, a subsidiary in Mauritius, to acquire additional ordinary shares of ASEAN Potash Chaiyaphum Public Company Limited at the aggregate of not exceeding 6.3 million shares, at price of Baht 200 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. As at 31 December 2015, TRC Group's shareholding in APOT increased to 12.25% consisting of 8.61% shareholding of TRC Investment Limited and 3.64% shareholding of TRC International Limited, with current paid-up capital of Baht 2,061 million.

During January and February 2016, TRC Investment Limited made the second and the third payments for the share subscription totaling Baht 710 million. As a result, TRC Group's shareholding in APOT increased to 22.87%, consisting of 20.04% shareholding of TRC Investment Limited and 2.28% shareholding of TRC International Limited, with current paid-up capital as of 3 February 2016 of Baht 2,657 million. The remaining share payment is to be executed no later than 31 March 2016.

16. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements								
	Land	Building	Leasehold improvement	Tools and equipment	Furniture, fixtures and office equipment	Motor Vehicles	Construction in progress	Total
Cost:								
1 January 2014	114,791	56,948	6,520	159,567	59,200	69,898	99,471	566,395
Additions	-	-	-	9,911	31,576	35,801	106,543	183,831
Disposals	-	(29,601)	-	-	(1,147)	(2,457)	-	(33,205)
Written-off	-	-	(3,179)	(825)	(223)	-	-	(4,227)
Transfer in (out)	-	193,343	-	56	(56)	-	(193,343)	-
Translation adjustment	-	154	-	91	93	61	-	399
31 December 2014	114,791	220,844	3,341	168,800	89,443	103,303	12,671	713,193
Additions	40,158	375	-	258,959	14,767	16,882	38,298	369,439
Disposals	(12,887)	(25,249)	-	(13,003)	(16,788)	(32,029)	-	(99,956)
Written-off	-	-	-	(295)	(147)	-	-	(442)
Transfers in (out)	-	15,766	-	31,066	108	-	(46,940)	-
Translation adjustment	-	424	-	1,902	1,843	1,080	-	5,249
31 December 2015	142,062	212,160	3,341	447,429	89,225	89,236	4,029	987,482



(Unit: Thousand Baht)

Consolidated financial statements

	Land	Building	Leasehold improvement	Tools and equipment	Furniture, fixtures and office equipment	Motor Vehicles	Construction in progress	Total
Accumulated depreciation:								
1 January 2014	-	42,308	6,345	118,413	36,514	37,434	-	241,014
Depreciation for the year	-	7,380	63	15,361	13,091	16,821	-	52,716
Depreciation on disposals	-	(29,601)	-	-	(1,025)	(1,739)	-	(32,365)
Depreciation on written-off	-	-	(3,179)	(295)	(195)	-	-	(3,669)
Transfers in (out)	-	-	-	18	(18)	-	-	-
Translation adjustment	-	168	-	110	129	90	-	497
31 December 2014	-	20,255	3,229	133,607	48,496	52,606	-	258,193
Depreciation for the year	-	8,935	63	39,844	14,413	14,769	-	78,025
Depreciation on disposals	-	(17,709)	-	(7,158)	(16,521)	(18,742)	-	(60,130)
Depreciation on written-off	-	-	-	(251)	(120)	-	-	(371)
Translation adjustment	-	406	-	1,878	1,734	1,047	-	5,065
31 December 2015	-	11,888	3,292	167,920	48,002	49,680	-	280,782
Net book value:								
31 December 2014	114,791	200,589	112	35,193	40,947	50,697	12,671	455,000
31 December 2015	142,062	200,272	49	279,509	41,224	39,556	4,029	706,701
Depreciation for the year								
2014 (Baht 22 million included in cost of sales and construction services, and the balance in administrative expenses)								52,716
2015 (Baht 38 million included in cost of sales and construction services, and the balance in administrative expenses)								78,025

(Unit: Thousand Baht)

Separate financial statements

	Land	Building	Leasehold improvement	Tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	Total
Cost:								
1 January 2014	113,201	23,027	6,520	65,582	33,663	39,307	99,471	380,771
Additions	-	-	-	6,183	29,220	33,550	106,543	175,496
Disposals	-	-	-	-	-	(531)	-	(531)
Written-off	-	-	(3,179)	(596)	(137)	-	-	(3,912)
Transfer in (out)	-	193,343	-	-	-	-	(193,343)	-
31 December 2014	113,201	216,370	3,341	71,169	62,746	72,326	12,671	551,824
Additions	40,158	375	-	225,605	14,733	14,439	38,298	333,608
Disposals	(12,887)	(20,352)	-	(4,521)	(348)	(19,557)	-	(57,665)
Written-off	-	-	-	(274)	(117)	-	-	(391)
Transfers in (out)	-	15,766	-	31,065	108	-	(46,940)	-
31 December 2015	140,472	212,159	3,341	323,045	77,122	67,208	4,029	827,376
Accumulated depreciation:								
1 January 2014	-	10,182	6,345	40,430	20,642	21,362	-	98,961
Depreciation for the year	-	5,915	63	8,469	7,203	9,804	-	31,454
Depreciation on disposals	-	-	-	-	-	(531)	-	(531)
Depreciation on written-off	-	-	(3,179)	(198)	(133)	-	-	(3,510)
31 December 2014	-	16,097	3,229	48,701	27,712	30,635	-	126,374
Depreciation for the year	-	8,730	63	30,420	10,798	10,509	-	60,520
Depreciation on disposals	-	(12,939)	-	(109)	(258)	(6,466)	-	(19,772)
Depreciation on written-off	-	-	-	(235)	(94)	-	-	(329)
31 December 2015	-	11,888	3,292	78,777	38,158	34,678	-	166,793

(Unit: Thousand Baht)

Separate financial statements								
	Land	Building	Leasehold improvement	Tools and Equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	Total
Net book value:								
31 December 2014	113,201	200,273	112	22,468	35,034	41,691	12,671	425,450
31 December 2015	140,472	200,271	49	244,268	38,964	32,530	4,029	660,583
Depreciation for the year								
2014 (Baht 17 million included in cost of sales and construction services, and the balance in administrative expenses)								31,454
2015 (Baht 35 million included in cost of sales and construction services, and the balance in administrative expenses)								60,520

As at 31 December 2015, certain equipment items have been fully depreciated but are still in use. The gross carrying amount, before deducting accumulated depreciation of those assets, amounted to approximately Baht 122 million (The Company only: Baht 67 million) (2014: Baht 148 million, the Company only: Baht 59 million).

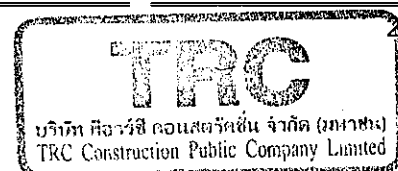
As at 31 December 2015, the Company and its subsidiary has tools and motor vehicles acquired under finance lease agreements, with net book value amounting to approximately Baht 45 million (The company only: Baht 25 million) (2014: Baht 1 million, the Company only: Nil).

As at 31 December 2015 and 2014, 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 bank.

17. Intangible assets

The net book value of intangible assets, which is computer software, as at 31 December 2015 and 2014 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
As at 31 December 2015		
Cost	15,094	14,319
Less: Accumulated amortisation	(7,071)	(6,914)
Net book value	8,023	7,405
As at 31 December 2014		
Cost	14,643	14,230
Less: Accumulated amortisation	(5,811)	(5,710)
Net book value	8,832	8,520



A reconciliation of the net book value of intangible assets for the years 2015 and 2014 is presented below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Net book value at beginning of year	8,832	5,804	8,520	5,449
Acquisition of computer software	1,031	4,119	669	4,119
Write-off during year - net book value at write-off date	(463)	(45)	(463)	(45)
Amortisation	(1,377)	(1,046)	(1,321)	(1,003)
Net book value at end of year	8,023	8,832	7,405	8,520

18. Trade and other payables

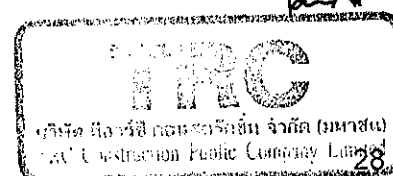
(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Trade accounts payable - unrelated parties	429,239	357,265	290,841	294,860
Advances from related parties	-	-	11,168	5,120
Fixed assets payable	26,746	7,939	26,665	7,862
Accrued expenses	96,799	93,186	82,998	76,174
Total trade and other payables	552,784	458,390	411,672	384,016

19. Long-term loan

(Unit: Thousand Baht)

	Consolidated/Separate financial statements	
	2015	2014
Long-term loan from financial institution	-	30,500
Less: Current portion	-	(26,000)
Long-term loan, net	-	4,500



Long-term credit facilities of the Company are guaranteed by the Company's land, as described in Note 16. The loan was obtained to fund the construction of the new office building of the Company. The loan carried interest at the rate of MLR minus 1.25% per annum. The loan agreement contained covenants as specified in the agreements pertaining to matters such as maintaining certain debt to equity and debt service coverage ratios according to the agreements.

20. Provision for liabilities under construction projects

(Unit: Thousand Baht)

Consolidated financial statements				
	Warranties	Loss on construction	Penalties	Total
As at 1 January 2014	18,159	244	-	18,403
Increase during the year	16,507	-	5,168	21,675
Decrease from occurrence				
of actual expense	(4,510)	-	-	(4,510)
Reversal of provisions	(1,245)	-	-	(1,245)
As at 31 December 2014	28,911	244	5,168	34,323
Increase during the year	12,336	5,000	498	17,834
Decrease from occurrence				
of actual expense	(16,000)	(1,593)	(4,867)	(22,460)
Reversal of provisions	(7,850)	(244)	(799)	(8,893)
As at 31 December 2015	17,397	3,407	-	20,804

(Unit: Thousand Baht)

Separate financial statements				
	Warranties	Loss on construction	Penalties	Total
As at 1 January 2014	16,159	-	-	16,159
Increase during the year	7,800	-	-	7,800
Decrease from occurrence				
of actual expense	(4,299)	-	-	(4,299)
As at 31 December 2014	19,660	-	-	19,660
Increase during the year	7,000	-	498	7,498
Decrease from occurrence				
of actual expense	(7,863)	-	(498)	(8,361)
Reversal of provisions	(6,444)	-	-	(6,444)
As at 31 December 2015	12,353	-	-	12,353

21. Liabilities under finance lease agreements

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Liabilities under finance lease agreements	47,275	111	26,464	-
Less: Deferred interest	(3,671)	(9)	(1,634)	-
Total	43,604	102	24,830	-
Less: Current portion	(12,532)	(102)	(8,600)	-
Liabilities under finance lease agreements - net of current portion	31,072	-	16,230	-

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

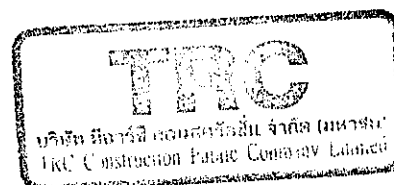
Future minimum lease payments required under the finance lease agreements were as follows.

(Unit: Thousand Baht)

	As at 31 December 2015					
	Consolidated financial statements			Separate financial statements		
	Less than			Less than		
	1 year	1-5 years	Total	1 year	1-5 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

(Unit: Thousand Baht)

	As at 31 December 2014					
	Consolidated financial statements			Separate financial statements		
	Less than			Less than		
	1 year	1-5 years	Total	1 year	1-5 years	Total
Future minimum lease payments	111	-	111	-	-	-
Deferred interest expenses	(9)	-	(9)	-	-	-
Present value of future minimum lease payments	102	-	102	-	-	-



22. Other current liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Suspense output VAT	35,206	53,196	28,637	47,008
VAT payable	12,773	-	7,603	-
Others	4,414	2,564	2,962	2,065
Total	52,393	55,760	39,202	49,073

23. Debentures

During the year, the Company has issued unsubordinated and unsecured debentures without a debentureholders' representative in the name-registered, as detailed below.

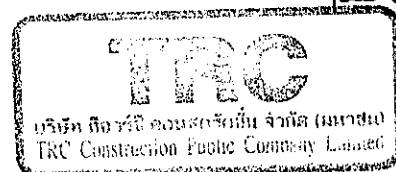
(Unit: Thousand Baht)

Debentures	Interest rate	Terms	Due date	Consolidated / Separate financial statements	
				2015	2014
Debentures 1/2015	4.68%	2 years	8 July 2017	100,000	-

Details of the Company's debentures are as follows:

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



24. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement, was as follows:

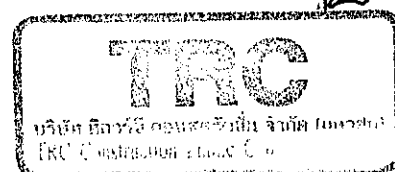
(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Defined benefit obligation at beginning of year	25,048	23,163	23,588	19,160
Included in profit or loss:				
Current service cost	6,896	5,902	6,031	3,671
Interest cost	616	828	562	757
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	(3,099)	-	(3,393)	-
Financial assumptions changes	2,836	-	2,767	-
Experience adjustments	2,098	(1,580)	1,731	-
Benefits paid during the year	(457)	(3,248)	-	-
Translation adjustment	15	(17)	-	-
Defined benefit obligation at end of year	33,953	25,048	31,286	23,588

Line items in profit or loss under which long-term employee benefit expenses are recognised are follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cost of sales	3,404	3,938	2,939	1,841
Administrative expenses	4,108	2,792	3,654	2,587
Total expenses recognised in profit or loss	7,512	6,730	6,593	4,428



The Company and its subsidiaries expect to pay Baht 7 million of long-term employee benefits during the next year (the Company only: Baht 7 million) (2014: Baht 6 million, The Company only: Baht 6 million).

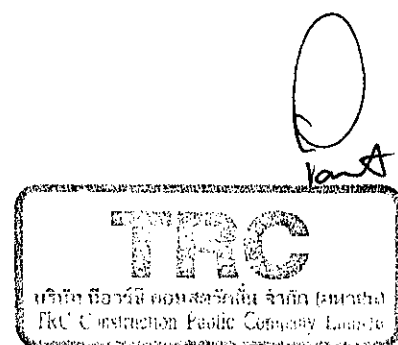
As at 31 December 2015, the weighted average duration of the liabilities for long-term employee benefit is 8 years (the Company only: 8 years) (2014: 10 years, the Company only: 10 years).

Key actuarial assumptions used for the valuation are as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	2.55 - 2.93	3.50 - 3.95	2.55	3.95
Future salary increase rate	5.00	5.00	5.00	5.00
Staff turnover rate (depending on age)	0.00 - 21.00	0.00 - 20.00	0.00 - 21.00	0.00 - 14.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2015 are summarised below:

	Consolidated financial statements		Separate financial statements	
	Increase 1.0%	Increase 1.0%	Increase 1.0%	Increase 1.0%
	(2.3)	2.6	(2.0)	2.3
Discount rate	(2.3)	2.6	(2.0)	2.3
Salary increase rate	2.7	(2.4)	2.4	(2.1)
Turnover rate	0.2	(0.2)	0.2	(0.2)



25. Share capital

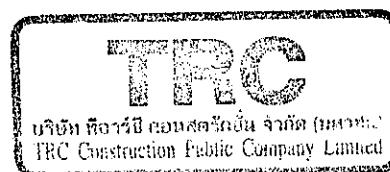
Movements in the issued and paid-up ordinary share during the year ended 31 December 2015 are summarised as below.

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 year	851,030	425,515		
Increase in number of ordinary shares				
due to change in par value	2,553,089	-		6 May 2015
Increase during the year	1,852,943	231,618		8 May 2015
Decrease during the year	(14,191)	(1,774)		7 May 2015
At the end of the year	5,242,871	655,359		
<u>Issued and paid-up share capital</u>				
At the beginning of the year	822,614	411,307	280,461	
Increase in number of ordinary				
shares due to change in par value	2,467,841	-	-	6 May 2015
Increase in capital from stock				
dividend	830,537	103,817	-	29 May 2015
Increase in capital from private				
placement under a general				
mandate	330,000	41,250	671,880	6 August 2015
Increase due to exercise of warrants				
ESOP-W2 No. 3*	14,156	1,769	13,243	7 January 2015
ESOP-W2 No. 4*	17,540	2,193	16,408	2 April 2015
ESOP-W2 No. 5*	20,511	2,564	14,829	8 July 2015
ESOP-W2 No.6*	19,567	2,446	14,155	6 October 2015
At the end of the year	4,522,766	565,346	1,010,976	

* After change in par value

On 29 April 2015, the Annual General Meeting of the Company's shareholders passed the following significant resolutions regarding the Company's registered share capital.

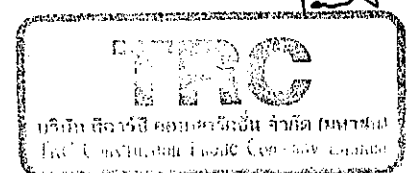
- 25.1 Approved a change in the par value of the ordinary shares, from Baht 0.50 to Baht 0.125 each, increasing the number of registered ordinary shares from 851.0 million shares to 3,404.1 million shares and the number of the issued and paid-up shares from 830.5 million shares (including 4.4 million newly issued shares due to the 4th Exercise of ESOP-W2) to 3,322.2 million shares. The Company registered the change in the par value and number of shares with the Ministry of Commerce on 6 May 2015.



- 25.2 Paid dividend by the Company's ordinary shares up to 830.5 million shares with a par value of Baht 0.125 per share to be distributed at a rate of 1 dividend share for every 4 existing shares, with a total value of up to Baht 103.8 million or equivalent to a dividend of Baht 0.031250 per share.
- 25.3 Approved a decrease in the registered capital of the Company from Baht 425.5 million to Baht 423.7 million by cancelling the 14.2 million ordinary shares with a par value of Baht 0.125 each 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 7 May 2015.
- 25.4 Approved an increase in the registered capital from Baht 423.7 million to Baht 655.4 million through the issuance of an additional 1,852.9 million ordinary shares with a par value of Baht 0.125 each, to be allocated as follows:
- 830.5 million shares to be reserved for the distribution of the stock dividend, as described in Note 25.2.
 - 675.0 million shares to be reserved for the exercise of the warrants.
 - Up to 330.5 million shares with a par value of Baht 0.125 each to be reserved for the additional capital to be issued by private placement under a general mandate.
 - Up to 16.9 million shares with a par value of Baht 0.125 each to be reserved for the support ESOP-W2's rights adjustment due to the distribution of the stock dividend (total 84.7 million shares reserved for exercise of ESOP-W2).

On 8 May 2015, the Company registered with the Ministry of Commerce the increase in its registered capital to Baht 655.4 million, or 5,242.9 million shares, and in its issued and paid-up capital to Baht 415.3 million, or 3,322.2 million shares.

On 29 May 2015, the Company reports to the Stock Exchange of Thailand (SET) the number of 830.5 million ordinary shares actually allocated to the stock dividend and registered with the Ministry of Commerce the increases in its paid-up share capital to Baht 519.1 million, or 4,152.7 million shares. The Stock Exchange of Thailand approved the additional ordinary shares as a listed securities as from 4 June 2015.



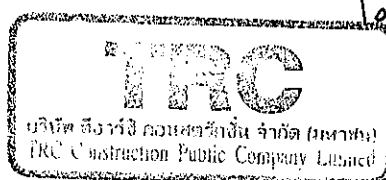
The Board of Directors' Meeting No.7/2015 held on 24 July 2015 approved the allotment of new shares to 16 specific investors in the amount of 330 million shares with a par value of Baht 0.125 per share at the offering price of Baht 2.20 per share. During 27 July 2015 to 5 August 2015, the Company received the proceeds from the payment of share capital total of Baht 726.0 million with a share premium of Baht 684.8 million and share issued costs of Baht 12.9 million were offset against this share premium.

On 6 August 2015, the Company registered with the Ministry of Commerce the increase in its paid-up share capital to Baht 562.9 million, or 4,503.2 million shares (before newly issued shares due to the 6th Exercise of ESOP-W2). The Stock Exchange of Thailand ("SET") approved the additional ordinary shares as a listed securities as from 11 August 2015.

26. Warrants / Capital reserve for share - based payment transactions

On 1 July 2013, 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	:	<ol style="list-style-type: none"> 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.



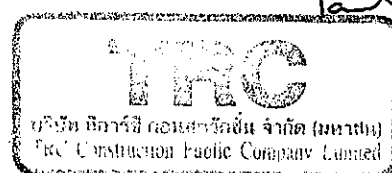
Other conditions : If the warrant holders resign or are otherwise no longer directors and/or employees of the Company and/or its subsidiary, the warrant holders have to return the outstanding warrants to the Company, and the Board of Directors of the Company can re-allot the warrants to other directors and/or employees.

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 discussed in Note 25. 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



During the year ended 31 December 2015, the Company and its subsidiary recorded expenses of the ESOP amounting to Baht 4 million (The Company only: Baht 3 million) (2014 : Amounted to Baht 25 million, The Company only: Baht 23 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 year are as follows:

At the beginning of the year	21,591,908	Units
Exercised No. 4	(4,384,936)	Units
Exercised No. 5	(4,102,202)	Units
Exercised No. 6	(3,913,412)	Units
Exercised No. 7	(2,412,715)	Units
Cancelled	<u>(262,500)</u>	Units
At the end of the year	<u>6,516,143</u>	Units

As at 31 December 2015, the Company cancelled accumulated 440,395 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. However, such warrants can be re-allocated by the Management Committee.

On 30 March 2015, the fourth exercise date, the warrant holders exercised 4,384,936 warrants to purchase 4,384,936 ordinary shares at Baht 3.03 each. The Company registered the above increase in its paid up share capital with the Ministry of Commerce on 2 April 2015. The Stock Exchange of Thailand approved the additional ordinary shares as a listed securities as from 8 April 2015.

On 30 June 2015, the fifth exercise date, the warrant holders exercised 4,102,202 warrants to purchase 20,511,010 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 8 July 2015. The Stock Exchange of Thailand approved the additional ordinary shares as a listed securities as from 10 July 2015.

On 30 September 2015, the sixth exercise date, the warrant holders exercised 3,913,412 warrants to purchase 19,567,060 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 6 October 2015. The Stock Exchange of Thailand approved the additional ordinary shares as a listed securities as from 9 October 2015.

On 30 December 2015, the seventh exercise date, the warrant holders exercised 2,412,715 warrants to purchase 12,063,575 ordinary shares at Baht 0.606 each. The Company recorded the total of Baht 7.3 million received as a result of the exercise of such warrants under the caption "Subscription received in advance from exercise of warrants", presenting it under shareholders' equity in the statement of financial position. The Company registered the above increase in its paid up share capital with the Ministry of Commerce on 7 January 2016. The Stock Exchange of Thailand approved the additional ordinary shares as a listed securities as from 12 January 2016.

27. Statutory reserve

The Company

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

Local subsidiaries

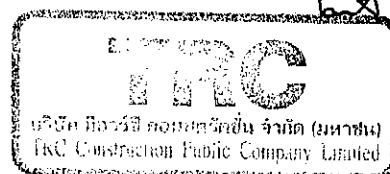
According to the Thai Civil and Commercial Code, the Company is required to set aside to a statutory reserve an amount equal to at least 5% of its net profit each time the Company pays out a dividend, until such reserve reaches 10% of its registered share capital. The statutory reserve cannot be used for dividend payment.

28. Expenses by nature

Significant expenses by nature are as follow:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Salary and wages and other employee benefits	516,382	501,039	433,762	327,458
Depreciation	78,024	52,716	60,520	31,454
Amortisation expenses	1,377	1,046	1,321	1,003
Construction materials and consumables				
used and subcontractors costs	1,952,304	1,703,059	1,574,402	1,260,774
Rental expenses from operating lease				
Agreements	94,840	111,100	85,139	73,794



29. Income tax

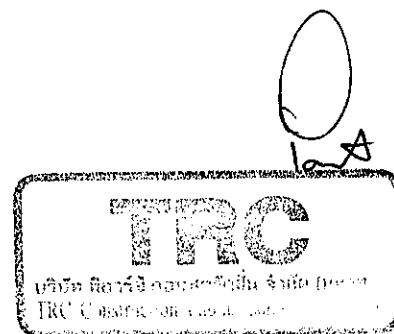
Income tax expenses for the years ended 31 December 2015 and 2014 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Current income tax:				
Current corporate income tax charge	100,796	73,242	98,257	73,557
Deferred tax:				
Relating to origination and reversal of temporary differences	(26,252)	(3,870)	(902)	(1,586)
Income tax expense reported in the statement of income	74,544	69,372	97,355	71,971

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2015 and 2014 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Deferred tax relating to actuarial gain on long-term employee benefits	(367)	316	(221)	-
	<u>(367)</u>	<u>316</u>	<u>(221)</u>	<u>-</u>

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2015 and 2014 are as follows.



	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Accounting profit before tax	375,495	282,169	496,482	327,640
Applicable tax rate	12% - 20%	12% - 20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	75,861	56,431	99,296	65,528
Effects of:				
Non-deductible expenses	1,688	7,430	1,703	7,303
Additional expense deductions allowed	(2,274)	(1,014)	(211)	(860)
Tax exempted income	-	-	(3,433)	-
Unutilised tax losses	(7,483)	-	-	-
Unused tax losses which may net utilise	6,752	6,525	-	-
Total	(1,317)	12,941	(1,941)	6,443
Income tax expenses reported in the statement of income	74,544	69,372	97,355	71,971

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2015	2014	2015	2014
Deferred tax assets				
Allowance for diminution in value of inventories	1,150	-	1,150	-
Provision for liabilities under construction projects	4,161	6,865	2,470	3,932
Provision for long-term employee benefits	6,790	4,935	6,257	4,718
Unutilised tax loss	26,376	-	-	-
Total	38,477	11,800	9,877	8,650
Deferred tax liabilities				
Asset under finance lease agreements	58	-	104	-
Total	58	-	104	-

Corporate income tax of overseas subsidiary company is calculated at the rate 12% on taxable profit in excess of 30,000 Omani Rial.

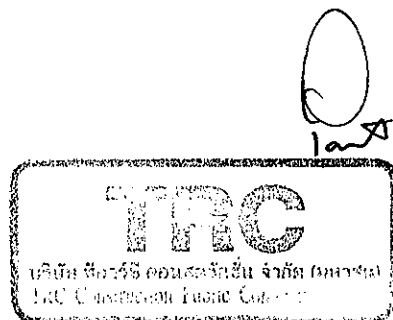
As at 31 December 2015, the Company has deductible temporary differences totaling Baht 175 million, on which deferred tax assets have not been recognised as the Company believes that it may not utilise the temporary differences in the future.

As at 31 December 2015, the subsidiaries have unused tax losses totaling Omani Rial 2 million, on which deferred tax assets have not been recognised as the subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

30. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the change in par value, the distribution of the stock dividend and the issuance of ordinary shares by private placement under a general mandate in accordance with the resolutions of the Annual General Meeting of the Company's shareholders held on 29 April 2015, as discussed in Note 25. 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 changes had been issued at the beginning of the earliest period reported.

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

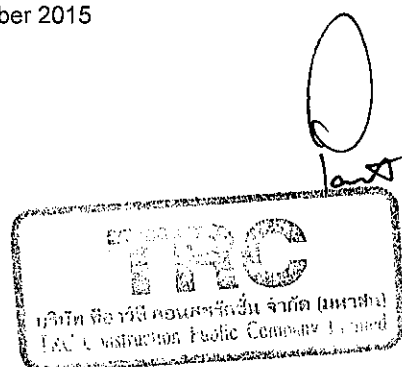


The following table sets forth the computation of basic and diluted earnings per share:

Consolidated financial statements							
For the year ended 31 December							
Profit for the year		Weighted average number of ordinary shares		Earnings per share			
2015	2014	2015	2014	2015	2014		
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares (Restated)	Baht	Baht (Restated)		
Basic earnings per share							
Profit attributable to equity holders of the parent		305,963	214,924	4,306,393*	4,094,506	0.07	0.05
Effect of dilute potential ordinary shares							
Warrants (ESOP-W2)		-	-	62,057	28,815		
Diluted earnings per share							
Profit of ordinary shareholders assuming the conversion of diluted potential ordinary shares		305,963	214,924	4,368,450	4,123,321	0.07	0.05

Separate financial statements							
For the year ended 31 December							
Profit for the year		Weighted average number of ordinary shares		Earnings per share			
2015	2014	2015	2014	2015	2014		
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares (Restated)	Baht	Baht (Restated)		
Basic earnings per share							
Profit attributable to equity holders of the parent		399,127	255,669	4,306,393*	4,094,506	0.09	0.06
Effect of dilute potential ordinary shares							
Warrants (ESOP-W2)		-	-	62,057	28,815		
Diluted earnings per share							
Profit of ordinary shareholders assuming the conversion of diluted potential ordinary shares		399,127	255,669	4,368,450	4,123,321	0.09	0.06

* Included ordinary share for exercise warrant as at 30 December 2015



31. Dividends / stock dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
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
Dividend from operations of 2013	Annual General Meeting of the shareholders on 24 April 2014	40,815	0.05
Total dividend paid in 2014		40,815	0.05

32. Provident fund

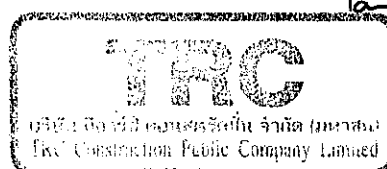
The Company, the subsidiary and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, the subsidiary and their employees contributed to the fund monthly at the rate of 3% - 7% of basic salary. The fund, which is managed by TISCO Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2015 amounting to approximately Baht 6 million (Separate financial statements: Baht 5 million) (2014: Baht 5 million, Separate financial statements: Baht 4 million) were recognised as expenses.

33. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organized into business units based on its products and services and have four reportable segments as follows:

- Pipeline system construction segment
- Engineering system installation and factory construction for energy and petrochemical business segment
- Civil work construction segment
- Sales and other services



No operating segments have been aggregated to form the above reportable operating segments.

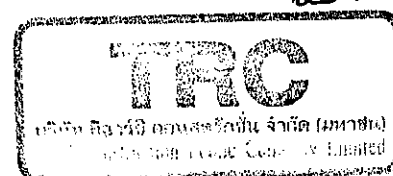
The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Company's and its subsidiaries' operating segments for the year ended 31 December 2015 and 2014, respectively.

(Unit: Thousand Baht)

	For the year ended 31 December 2015						
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenues from external customers	838,679	1,534,586	373,512	1,100	2,747,877	-	2,747,877
Revenues from joint venture	1,132,295	-	-	-	1,132,295	-	1,132,295
Depreciation	(35,631)	(27,742)	(15,239)	(20)	(78,632)	607	(78,025)
Administrator expense	(145,654)	(113,405)	(33,006)	(81)	(292,146)	2	(292,144)
Segment profit (loss)	340,906	58,279	(102,090)	25	297,120	8,395	305,515
Other income							63,831
Interest revenue							11,030
Allowance for doubtful debt							(127)
Interest expense							(4,754)
Profit before income tax expense							375,495
Income tax expense							(74,544)
Profit for the year							300,951



(Unit: Thousand Baht)

For the year ended 31 December 2014							
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenues from external customers	2,088,853	6,930	507,115	30,057	2,632,955	-	2,632,955
Revenues from joint venture	462,387	-	-	-	462,387	-	462,387
Depreciation	(32,782)	(103)	(9,797)	(10,034)	(52,716)	-	(52,716)
Administrator expense	(235,440)	(612)	(31,260)	(5,611)	(272,923)	-	(272,923)
Segment profit (loss)	296,872	77	(52,269)	8,674	253,354	229	253,583
Other income							27,912
Interest revenue							3,916
Reversal of allowance for doubtful debt							564
Interest expense							(3,356)
Profit before income tax expense							282,619
Income tax expense							(69,372)
Profit for the year							213,247

Geographic information

Revenue from external customers is based on locations of the customers.

(Unit: Thousand Baht)

	2015	2014
Revenue from external customers		
Thailand	2,747,877	2,438,648
Sultanate of Oman	-	194,307
Total	2,747,877	2,632,955
Revenue from joint venture		
Thailand	1,132,295	462,387
Total	1,132,295	462,387
Non-current assets (other than financial instruments and deferred tax assets)		
Thailand	723,452	464,216
Sultanate of Oman	-	3,703
Total	723,452	467,919

Major customers

For the year 2015, the Company and its subsidiaries have revenue from three major customers in amount of Baht 2,040 million, Baht 968 million and Baht 527 million, arising from pipeline system, engineering system and civil work segments (2014: Baht 1,396 million, Baht 726 million and Baht 129 million, from three major customers, arising from pipeline system and civil work segments).

34. Commitments and contingent liabilities

34.1 Purchase construction materials and subcontracted work commitments

As at 31 December 2015, the Company and the subsidiary have outstanding commitments of Baht 1,371 million and USD 2 million in respect of purchase construction materials and subcontracted work (the Company only: Baht 813 million and USD 2 million) (2014: Baht 688 million, USD 1 million and Euro 2 million, the Company only: Baht 621 million, USD 1 million and Euro 2 million).

34.2 Operating lease commitments

The Company and its subsidiary have entered into lease agreements in respect of the lease of land, machines, 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 leases contracts were as follows.

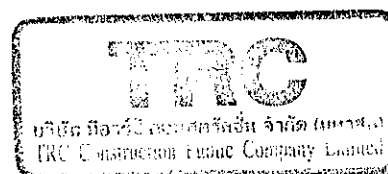
(Unit: Million Baht)

	As at 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Payable:				
In up to 1 year	18	10	18	9
In over 1 and up to 5 years	39	5	38	5

34.3 Bank guarantees

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

	As at 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Guarantee of construction contract and bidding	Baht 1,634 million USD 4 million	Baht 934 million USD 5 million	Baht 1,314 million USD 4 million	Baht 779 million USD 5 million
Guarantee of advance payment bond and retention	Baht 237 million	Baht 279 million	Baht 94 million	Baht 261 million
Guarantee of others	Baht 9 million	Baht 31 million	Baht 6 million	Baht 8 million
Total	Baht 1,880 million USD 4 million	Baht 1,244 million USD 5 million	Baht 1,414 million USD 4 million	Baht 1,048 million USD 5 million



34.4 Guarantees

As at 31 December 2015, the Company has commitment from guarantee of liabilities under finance lease agreements of the subsidiary totaling Baht 23 million (2014: Nil).

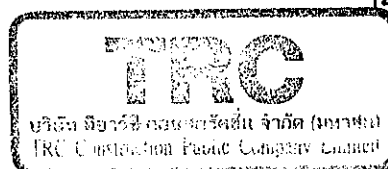
35. Litigations

35.1 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. Now, to waiting for the Supreme Administrative Court has an order to send a copy of appeal to the Company in order to resolve the appeal within 30 days. However, with circumspection, the Company recognized provision for contingent liabilities in amount of Baht 20 million in the financial statements as of and 31 December 2015 and 2014.



35.2 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.

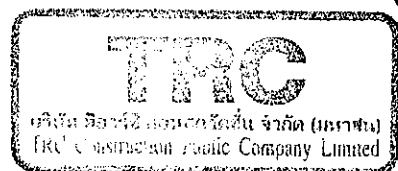
On 21 September 2011, the subsidiary provided testimony to the Civil Court, denying the allegations in the lawsuit of the Party and requesting the Court to dismiss the suit and order the Party to pay the subsidiary's billing for work done under the contract, amounting to Baht 10.9 million.

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 utilization (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 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.

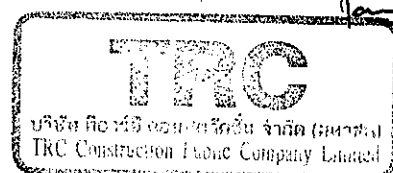
The litigant filed an appeal with the Supreme Court on 19 November 2015 and the subsidiary filed the rebuttal against the appeal on 28 January 2016. Since the mentioned suit is not yet finalised. The subsidiary believed that the subsidiary's the fact and the matter of law can defend against the Party.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

35.3 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.

- 35.4 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.

- 35.5 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 60.41 million. The case has not yet been considered by the Administrative Court and the Company is still filing the rebuttal against the cancellation of court fee of the party within 11 March 2016. 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.

36. Fair value hierarchy

As at 31 December 2015, the Company and its subsidiaries had the assets and liabilities 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
Assets measured at fair value				
Investment in mutual fund	-	178.6	-	178.6
Liabilities for which fair value are disclosed				
Debentures	-	100.3	-	100.3
				(Unit: Million Baht)
Separate Financial Statements				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investment in mutual fund	-	0.9	-	0.9
Liabilities for which fair value are disclosed				
Debentures	-	100.3	-	100.3

37. Financial instruments

37.1 Financial risk management

The Company's and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, current investments, trade and other receivables, accounts receivable/payable - retention, short-term loans to/from, restricted deposits at financial institutions, trade and other payables, liabilities under finance lease agreements, long-term loan and debenture. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable, unbilled receivable and short-term loans to. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivables, unbilled receivable and short-term loans to as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries exposure to interest rate risk relates primarily to its deposits at financial institutions, short-term loans to/from, trade accounts payable, liabilities under finance lease agreements, long-term borrowings and debenture. However, since most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements					
As at 31 December 2015					
	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
Financial Assets					
Cash and cash equivalents	450	838	1	1,289	0.25 - 2.07
Trade and other receivables	-	-	636	636	-
Accounts receivable - retention under construction contracts	-	-	164	164	-
Restricted deposits at financial institutions	16	20	-	36	0.10 - 2.38
	<u>466</u>	<u>858</u>	<u>801</u>	<u>2,125</u>	
Financial liabilities					
Trade and other payables	-	-	553	553	-
Accounts payable - retention under construction contracts	-	-	37	37	-
Liabilities under finance lease agreements	44	-	-	44	4.50 - 5.03
Debenture	100	-	-	100	4.68
	<u>144</u>	<u>-</u>	<u>590</u>	<u>734</u>	

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2014

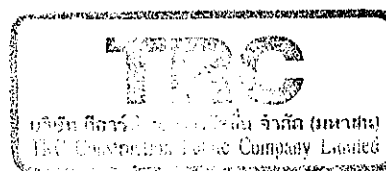
	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
Financial Assets					
Cash and cash equivalents	300	305	2	607	0.10 - 2.07
Trade and other receivables	-	-	877	877	-
Accounts receivable - retention under construction contracts	-	-	78	78	-
Restricted deposits at financial institutions	22	13	-	35	0.10 - 2.38
	322	318	957	1,597	
Financial liabilities					
Trade and other payables	-	-	458	458	-
Accounts payable – retention under construction contracts	-	-	28	28	-
Long-term loan	-	31	-	31	MLR - 1.25
	-	31	486	517	

(Unit: Million Baht)

Separate financial statements

As at 31 December 2015

	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
Financial Assets					
Cash and cash equivalents	300	451	1	752	0.25 - 1.50
Trade and other receivables	-	-	535	535	-
Accounts receivable - retention under construction contracts	-	-	147	147	-
Short - term loans to related parties	498	-	-	498	3.50 - 7.00
Restricted deposits at financial institutions	-	3	-	3	0.25 - 2.38
	798	454	683	1,935	
Financial liabilities					
Trade and other payables	-	-	412	412	-
Accounts payable - retention under construction contracts	-	-	26	26	-
Liabilities under finance lease agreements	25	-	-	25	4.50 - 5.03
Debenture	100	-	-	100	4.68
	125	-	438	563	



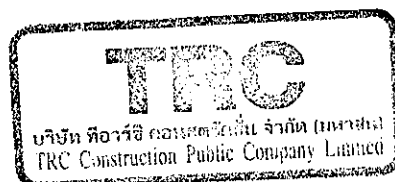
Separate financial statements					
As at 31 December 2014					
	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
Financial Assets					
Cash and cash equivalents	250	205	1	456	0.10 - 2.07
Trade and other receivables	-	-	725	725	-
Accounts receivable - retention under construction contracts	-	-	73	73	-
Short - term loans to related parties	37	-	-	37	3.50 - 7.00
Restricted deposits at financial institutions	9	5	-	14	0.10 - 2.38
	296	210	799	1,305	
Financial liabilities					
Trade and other payables	-	-	384	384	-
Accounts payable - retention under construction contracts	-	-	17	17	-
Long-term loan	-	31	-	31	MLR - 1.25
	-	31	401	432	

Foreign currency risk

The Company and its subsidiary's exposure to foreign currency risk arises mainly from buying and services transactions and borrowings that are denominated in foreign currencies. In certain circumstances, the Company and its subsidiaries enter into forward exchange contracts when it considers appropriate.

The balances of financial assets and liabilities denominated in foreign currencies, which were unhedged for exchange rate fluctuation are summarised below.

Consolidated financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	2015	2014	2015	2014	2015	2014
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	5,734	2,855	1,194	604	36.0886	32.9630
Euro	-	-	309	234	39.4388	40.5030
SGD	-	-	-	49	25.5195	24.8959



Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	2015	2014	2015	2014	2015	2014
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	5,750	2,871	1,194	604	36.0886	32.9630
Euro	-	-	309	234	39.4388	40.5030
Omani Rial	25	74	-	-	93.7365	85.6182
SGD	-	-	-	49	25.5195	24.8959

37.2 Fair values of financial instruments

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, trade and other receivables, unbilled receivables/payables, accounts receivable/payable - retention, short-term loans to/from, trade and other payables, liabilities under finance lease agreements, their carrying amounts in the statement of financial position approximate their fair value.
- For fixed rate debenture, their fair value is estimated by discounting expected future cash flow by the current market interest rate of the debenture with similar terms and conditions.

During the current year, there were no transfers within the fair value hierarchy.

The fair values of the Company and its subsidiaries' financial instruments are estimated to approximately the amounts presented in the statements of financial position, except for the following:

(Unit: Million Baht)

	Consolidated / Separate financial statements			
	Carrying amount		Fair value	
	2015	2014	2015	2014
Financial liabilities				
Unsecured debenture	100.0	-	100.3	-



38. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate capital structure to support its business and maximise shareholder value. As at 31 December 2015, the Group's debt-to-equity ratio was 0.89:1 (2014: 0.90:1) and the Company's was 0.71:1 (2014: 0.87:1).

39. Events after the reporting period

On 12 January 2016, the Meeting No. 1/2016 of the Company's Board of Directors passed the following significant resolutions :

1. 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.
2. Approved the issuance of up to Baht 500 million of Bill of Exchange to be offered to public and/or institutional investors and/or high networth investors and/or private placement. The offer can be divided into single and/or multi tranches offering all at once or offering several times and may be issued and offered separately. The proceeds are to be used as working capital. The Board authorized the executive to determine details of Bill of Exchange issuance and offering. At present, the issuance of Bill of Exchange has not been executed.

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2016.

