



TRC CONSTRUCTION PUBLIC COMPANY LIMITED



TRC Corporate Presentation
The 2nd Qtr 2016 Operating Performance
7 September 2016

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Vision & Mission & Target

TRC

TRC CONSTRUCTION PUBLIC COMPANY LIMITED

Vision

To become

an excellent contractor in design, construction of a total solution in energy and infrastructure industries with sustainable growth

(มุ่งสู่ความเป็นเลิศด้านการออกแบบ และก่อสร้างที่ครบวงจร ในอุตสาหกรรมพลังงาน และ โครงสร้างสาธารณูปโภค ที่มีการเติบโตอย่างยั่งยืน)

Mission

To develop: an investment in energy and petrochemical businesses

(พัฒนาการลงทุนในธุรกิจพลังงานและปิโตรเคมี)

To deliver: the works with quality with recognition of safety within defined timeframe for customers' highest satisfaction

(ส่งมอบงานที่มีคุณภาพโดยคำนึงถึงความปลอดภัย ภายในระยะเวลาที่กำหนด เพื่อสร้างความพึงพอใจสูงสุดแก่ลูกค้า)

To run: the business under the corporate governance principle focusing on safety, environment, society and community for stable and sustainable growth

(ดำเนินงานภายใต้หลักธรรมาภิบาล มุ่งเน้นมาตรฐานความปลอดภัย ใส่ใจสิ่งแวดล้อม สังคมและชุมชน เพื่อการเจริญเติบโตอย่างยั่งยืน และมั่นคง)

To operate: the construction business as an EPC contractor (Engineering, Procurement and Construction) for natural gas and crude oil pipeline projects, petrochemical plants and basic infrastructure

(ดำเนินธุรกิจรับเหมาก่อสร้าง ที่ให้บริการครบวงจรในลักษณะ EPC ในงานก่อสร้างท่อก๊าซธรรมชาติ ท่อส่งน้ำมัน และอุตสาหกรรมปิโตรเคมี ตลอดจนด้านสาธารณูปโภคขั้นพื้นฐาน)

Target Within 2019

To acquire the National Total Quality Class (TQC) Award

(ได้รับรางวัลมาตรฐาน TQC แห่งชาติ (Total Quality Class))

To continually develop the investment project at least 4 projects

(พัฒนาโครงการลงทุนในธุรกิจต่อเนื่องไม่ต่ำกว่า 4 โครงการ)

To meet the target of yearly operating result of 20% increase with a total services income of Baht 10,000 million (consolidated financial statements)

(ตั้งเป้ายอดขายเติบโต 20% ทุกๆ ปี มียอดขายรวม 10,000 ล้านบาท (งบการเงินรวม))

Key Corporate Milestone

From “Small Business” to “International Thai Multi-Million Company”

Contractor

Bidding with many competitors with lower margin

EPC Contractor

Providing Engineering, Procurement & Construction services with fewer competitors and higher margin

Project Developer

- Utilizing EPC experiences and become the “ONE STOP SERVICE” for the clients
 - TRC is equipped capability of EPC and undertake large scale projects

2013 onwards
Investor
For sustainable growth



2005

- Wang Noi-Kaeng Khoi Cross Country Gas Pipeline (JV with China Petroleum Pipeline from China)
- Listed on the MAI

2006

- Songkla Transmission Pipeline

2007

- Acquisition Sahakarn Wisavakorn Co., Ltd. as subsidiary by share swap
- Investment in Ratchaploen Co., Ltd.

2008

- Bangchak Biodiesel Plant -Phase I

2009

- EPC for Flow Line in Sultanate of Oman
- Consortium with Siemens for EPC and Commissioning of the Revamp Onshore Compressor Station No.1

2010-2011

- Gulf's 7SPP and IPP Gas Pipeline

2011

- Ubon-Bio Ethanol
- PTTAR-IRPC Multiproduct Pipeline

2012

- GUT Gas Pipeline

2013

- Moving to the SET
- Navanakorn – Rangsit Gas Transmission Pipeline
- Provincial Gas Transmission Pipeline to Nakhorn Ratchasima (JV with Sinopec from China)

2014

- Bangchak Biodiesel Plant - Phase II
- New Incinerator, TTM

2015

- 1st Transmission Pipeline Life Extension (28” Recoating Section)
- Srinakarin to Romkloa Road
- Koh Samui Water Works Expansion

2015-2016

- Investment in ASEAN Potash Chaiphum Plc.

Our Core Business & Reputable Clients

Our Core Business



Pipeline Construction for Energy and Petrochemical Industry

Mechanical Installation and Process Plant & Construction for Energy and Petrochemical Industry

Infrastructure Construction

Project Development and Investment



Our Reputable Clients



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Significant Ongoing Projects as at 30 June 2016

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Pipeline

- PTT's 1st Transmission Pipeline Life Extension (3,725 MB) - **32.53% completion***
- PTT's Provincial Gas Transmission Pipeline Saraburi to Nakorn Ratchasima (SINOPEC-TRC JV, TRC's Work Portion:1,705 MB) - **98.08% completion***
- Provincial Waterworks Authority's Construction, Improvement and Expansion of Waterworks, Koh Samui (856 MB) - **50.20% completion****



Processing Plant

- Bangchak Biofuel's 450 TPD Biodiesel Plant Phase 2 (1,226 MB) - **99.22% Completion***
- Trans Thai-Malaysia's New Incinerator Project (918 MB) - **76.99% of completion***
- Thailand Tobacco Monopoly's EPC for Dry Ice Expanded Tobacco Process, DIET Process (836 MB) - **0% Completion****



Civil Work

- BMA's Srinakarin Romklao Road Phase 1 (1,102 MB) - **52.06% completion****
- APOT's Phase I - Early Works of Surface Processing Plant & Facilities Project (711 MB) - **0% Completion***
- APOT's Preparation & Refurbishment of Existing Decline (144 MB) - **31.76% Completion***

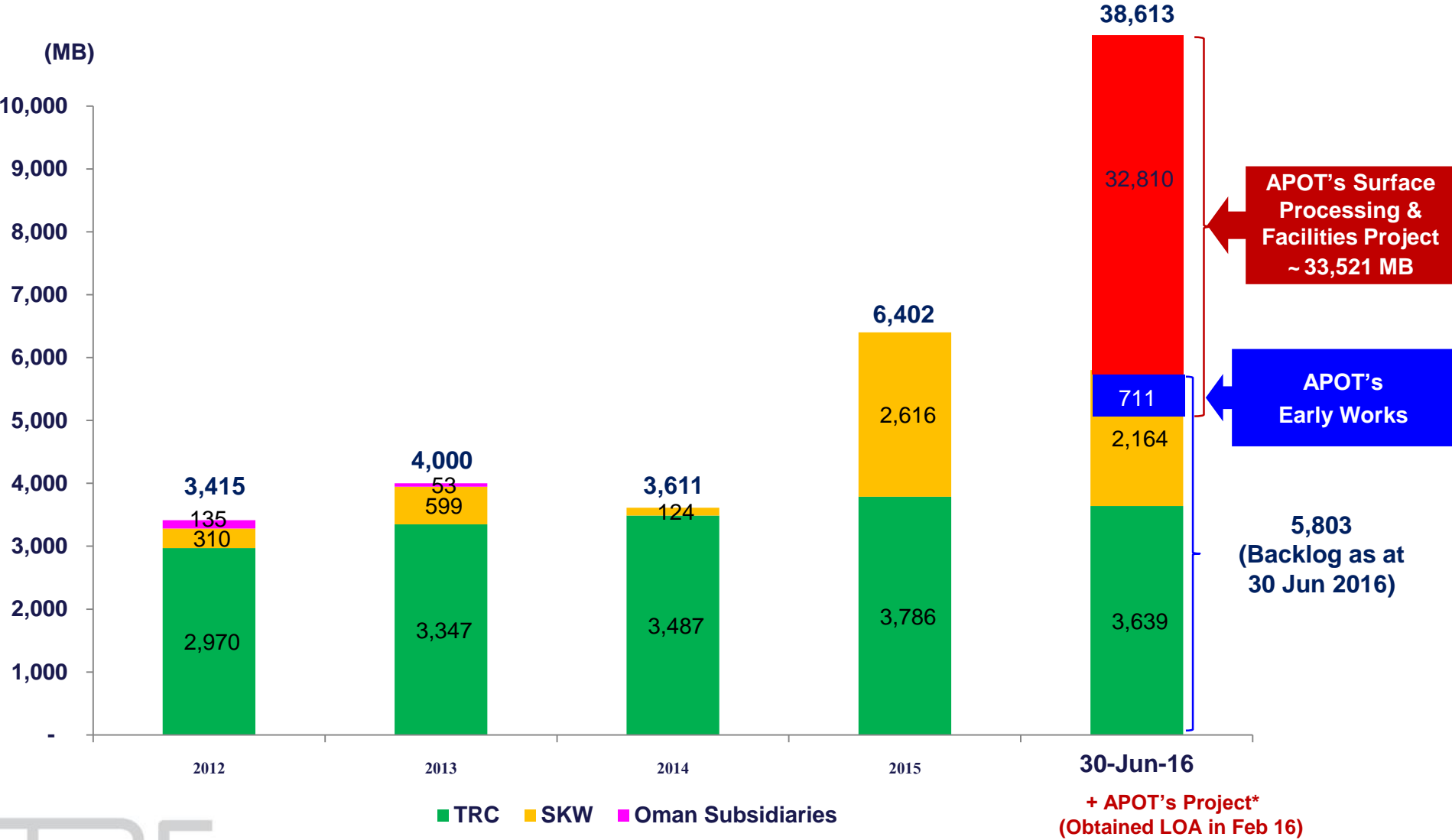
* Project of TRC Construction Public Company Limited

** Project of Sahakarn Wisavakorn Company Limited, TRC's subsidiary
% of Completion represents status as at 30 June 2016

TRC Group Backlog



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* EPCC Contract for APOT Project is expected to be signed within 4Q 2016 or 1Q 2017.

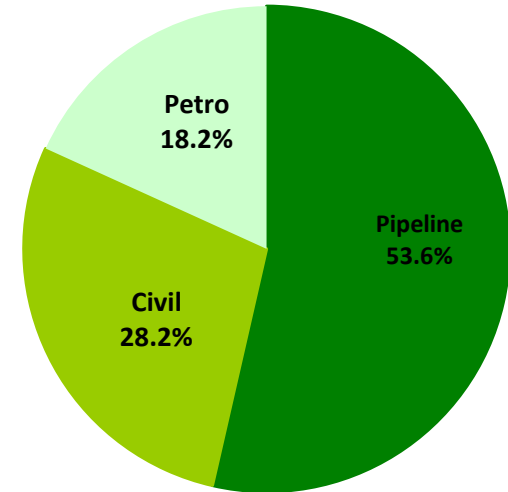
Backlog as at 30 June 2016



TRC CONSTRUCTION PUBLIC COMPANY LIMITED

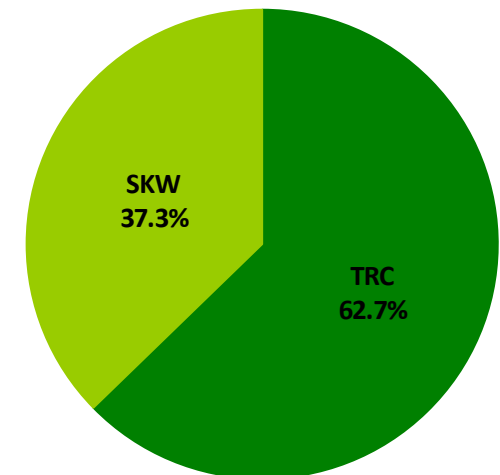
Backlog by Scope of Works

Scope of Works	No. of Projects	Remaining Value (MB)
Pipeline	3	3,109
Processing Plant	3	1,057
Civil Works	3	1,637
Total	9	5,803



Backlog by Company

Company	No. of Projects	Remaining Value (MB)
TRC	6	3,639
SKW	4	2,164
Total	10	5,803



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List of Potential Bidding Projects 2nd Half 2016 - 1st Half 2017



TRC CONSTRUCTION PUBLIC COMPANY LIMITED

Project Name	Approximate TRC Group's Work Value (Million Baht)	Estimated Project Period
A. Pipeline		
<i>Gas Transmission Pipeline Projects</i>	10,000	2017 - 2021
B. Processing Plant		
<i>B.1 Waste to Energy Project</i>	2,000	2017 - 2019
<i>B.2 Other Projects</i>	10,000	2017 onwards
C. Infrastructure Government Projects		
<i>Mass Transit Projects</i>	10,000	2017 onwards
Total	32,000	

PTT's Revised 5-Year Investment Plan (Year 2016-2020)



TRC CONSTRUCTION PUBLIC COMPANY LIMITED

I. Revised from 298,700 MB to 296,649 MB (25 Dec15)

(Unit : Million Baht)

Business	2016	2017	2018	2019	2020	Total	%
Infrastructure	19,619	32,983	34,649	46,041	29,008	162,300	55
Investment in Joint Venture and its wholly owned investment	10,967	17,607	12,106	13,245	13,586	67,511	23
Natural Gas	11,121	10,850	6,619	5,698	5,282	39,570	13
Oil and International Trading	7,315	5,466	4,430	3,191	3,272	23,674	8
Head Office and Others	1,817	608	502	342	325	3,594	1
Total	50,839	67,514	58,306	68,517	51,473	296,649	100

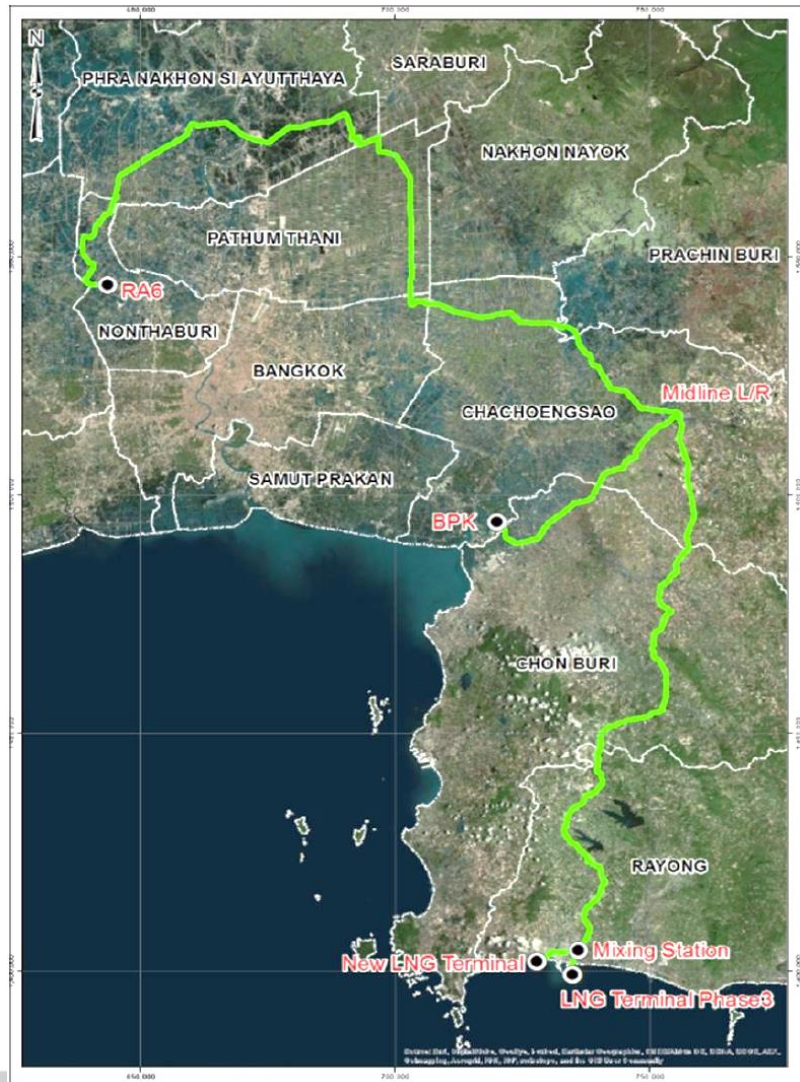


Reducing 14.8%

II. Revised 2016 Investment from 50,839 MB to 43,307 MB (17 June 16*)

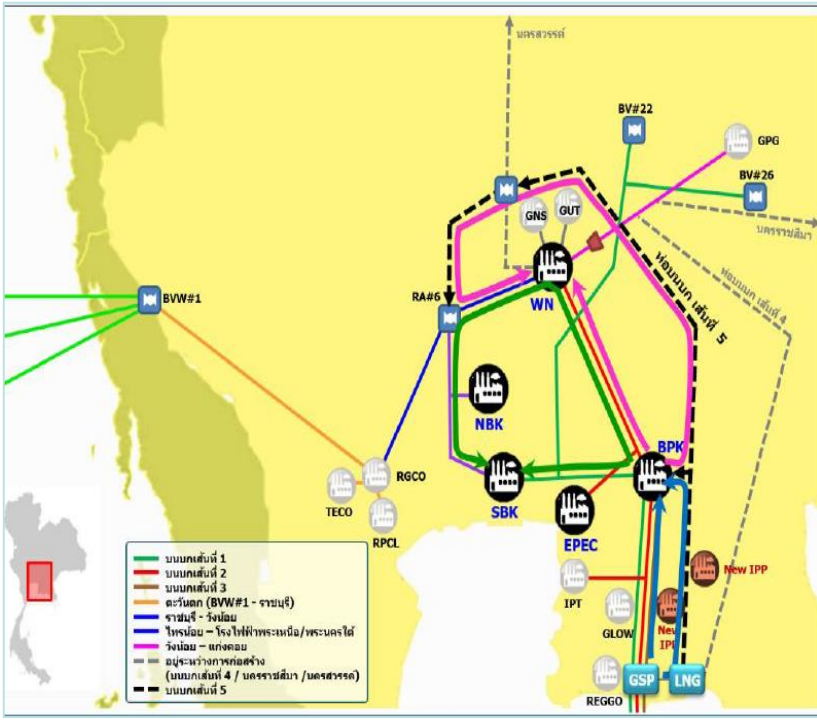
* PTT's board of directors on the meeting held on June 17, 2016 has reviewed investment plan to reflect the operation and current circumstances as well as effective budgeting by reducing the 2016 investment plan from Baht 50,839 million to Baht 43,307 million. The reduction is mainly from the investment projects of natural gas and infrastructure business.

Potential Bidding Pipeline Project: PTT's Fifth Transmission Pipeline



- **Project Owner:** PTT Public Company Limited
- **Project Value:** Approximately Baht 100,000 million (2 Phases)
- **Scope of Works:** EPC of 42 inch diameter main transmission pipeline and 36 inch diameter distribution transmission pipeline for approximately 435 km. length (Rayong to Ampur Sai Noi, Nonthaburi to North Bangkok Power Plant & South Bangkok Power Plant)
- **Project Location:** 8 provinces consisting of Rayong, Chonburi, Chachoengsao, Prachinburi, Bangkok, Pathumthani, Pra Nokorn Sri Ayudhaya and Nonthaburi
- **Project Period:** Expected to be completed in 2021
- **Public Announcement of Tender:** Q4/2016 - Q1/2017

Potential Bidding Pipeline Project: PTT's Provincial Gas Transmission Pipeline Ratchaburi-Wang Noi 6 (RA#6) to Ratchaburi



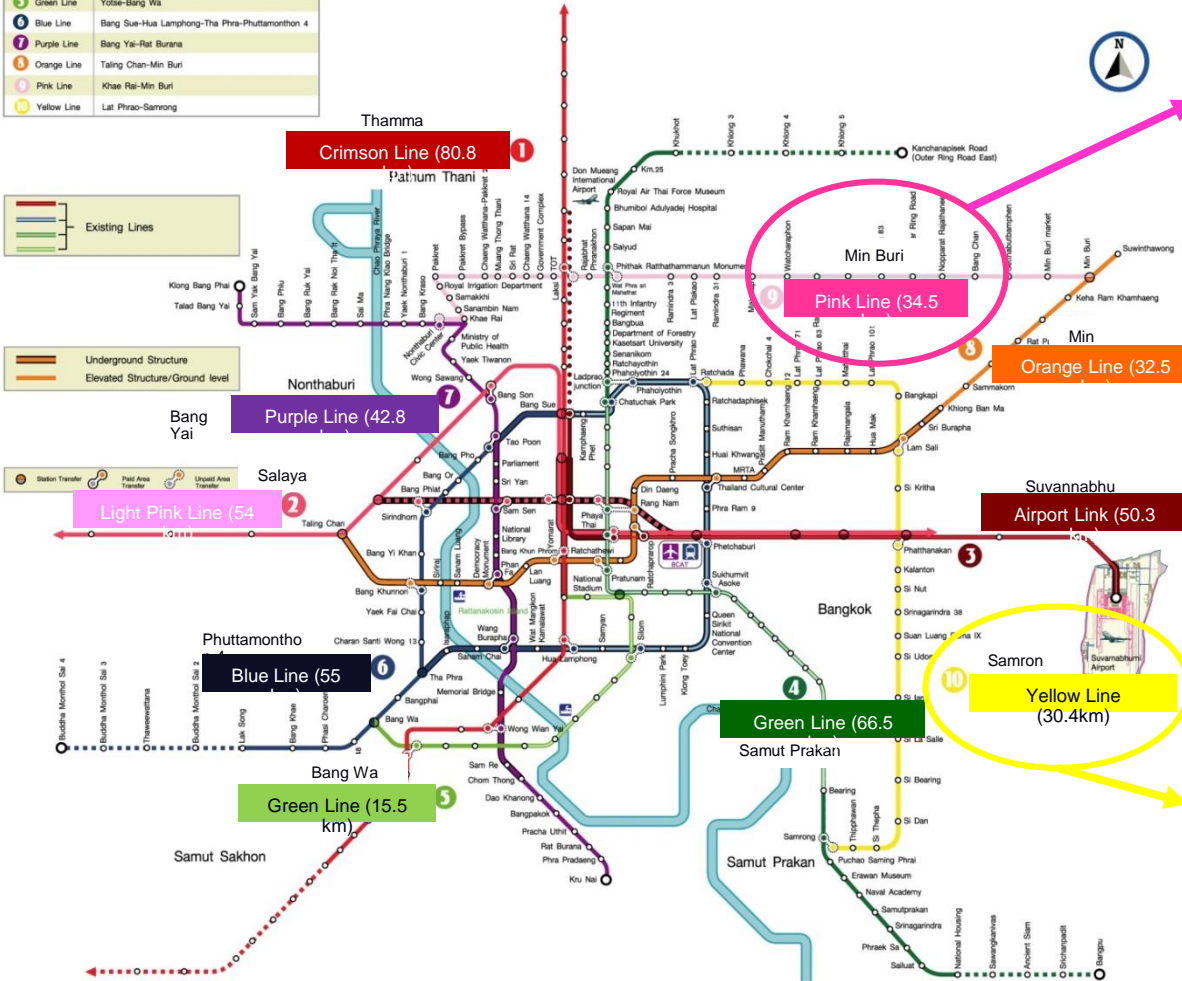
- **Owner:** PTT Public Company Limited
- **Project Value:** Approximately Baht 10,000 - 15,000 million
- **Scope of Works:** EPC of 30 inch diameter main transmission pipeline for approximately 119 km.
- **Project Location:** From Block Valve Station “Ratchaburi-Wang Noi 6” (“RA#6”), Amphur Sai Noi, Nonthaburi to Ratchaburi
- **Project Period:** Expected to be completed in 2021
- **Public Announcement of Tender:** Q4/2016 - Q1/2017

Potential Bidding Infrastructure Project: Mass Rapid Transit in Bangkok (Master Plan)



TRC CONSTRUCTION PUBLIC COMPANY LIMITED

1	Crimson Line	Thammasat-Mahachulalongkornrajavidyalaya
2	Light Red Line	Siriraj-Salaya-Taling Chan-Hua Mak
3	Airport Link	Don Muang-Bang Sue-Phaya Thai-Suvarnabhumi
4	Green Line	Lumphini-Samprakan
5	Green Line	Yotse-Bang Wa
6	Blue Line	Bang Sue-Hua Lamphong-Tha Phra-Phuttamonthon 4
7	Purple Line	Bang Yai-Rat Burana
8	Orange Line	Taling Chan-Min Buri
9	Pink Line	Khae Rai-Min Buri
10	Yellow Line	Lat Phrao-Samrong



MRTA Monorail Pink Line

[Khae Rai-Min Buri Section]

Project Scope: Monorail
Length 34.5 Km.
Station 30 Stations
Depot & Park and Ride 1 Unit

Project Description: Concession 30+3 years
Public Private Partnership [Net Cost]

MRTA Monorail Yellow Line

[Lat Phrao-Samrong Section]

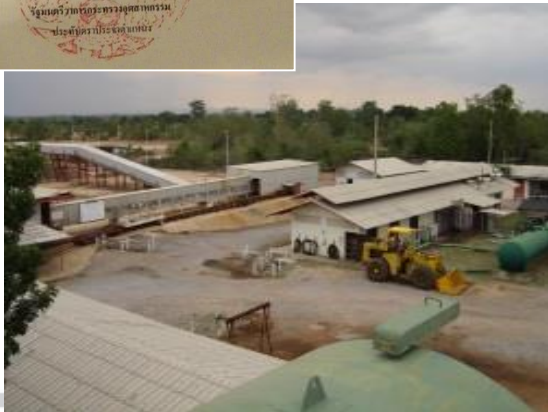
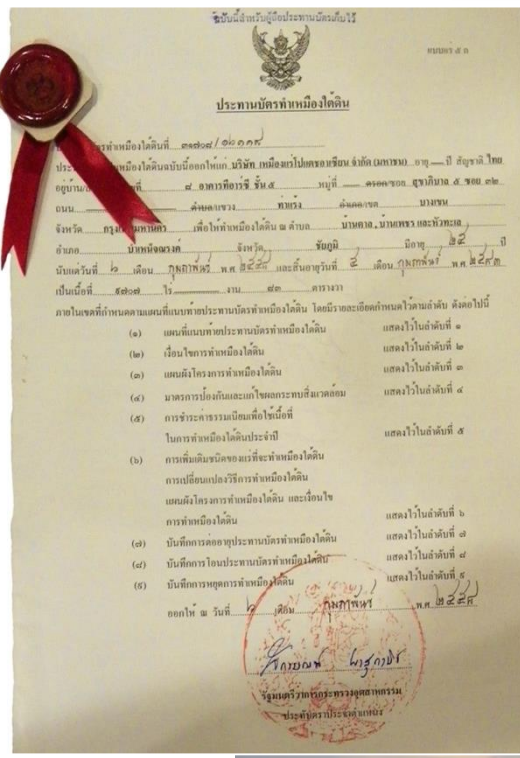
Project Scope: Monorail
Length 30 Km.
Station 23 Stations
Depot 1 Unit
Park and Ride 1 Unit

Project Description: Concession 30+3 years
Public Private Partnership [Net Cost]

Investment in ASEAN Potash Chaiyaphum Plc.



บริษัท อาเซียนโปแตชชัยภูมิ จำกัด (มหาชน)
 ASEAN Potash Chaiyaphum Public Company Limited
 ทะเบียนเลขที่ 0107547000478

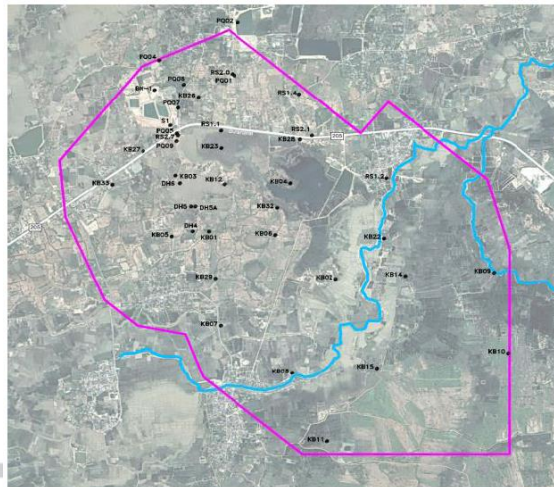
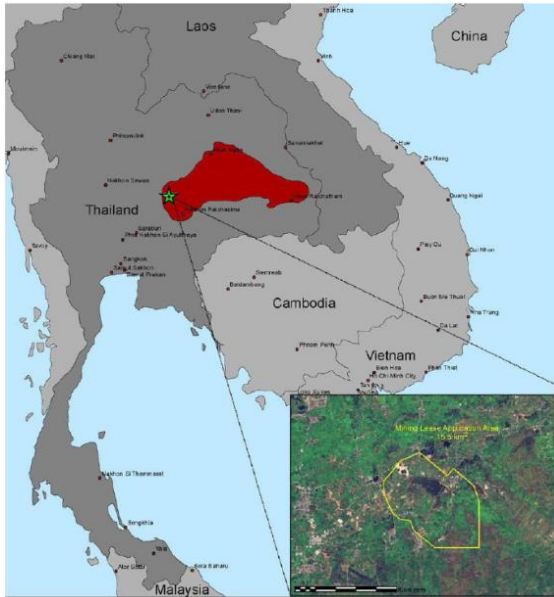


TRC Group has invested in ASEAN Potash Chaiyaphum Public Company Limited (“APOT”) who develops the ASEAN Potash Mining Project, one of the cooperation projects among 6 ASEAN countries. (Thai, Indonesia, Malaysia, Brunei, Philippines and Singapore) **Total project investment is approximately of USD 1.5 billion.**

APOT is during preparation stage for construction of its project **after obtaining the 25-year mining concession in February 2015.** On 10 February 2016, TRC obtained a Letter of Award from APOT for **Turnkey Delivery of APOT Project Package 2 Surface Processing and Facilities**, work value of USD 142,027,205, EUR 416,000,784 and Baht 12,433,389,522 or approximately Baht 34 billion. Currently, TRC Group (by TRC Investment Limited and TRC International Limited) holds 26.22% of APOT’s shares and will be hold 25.13% when APOT’s registered capital is fully paid-up at Baht 2,805,797,300.

During the 25-year Mining Concession, APOT shall produce at least 22 million tons of MOP (Muriate of Potash) or equivalent to USD 8 billion.

Turnkey Delivery of APOT Project Package 2 Surface Processing and Facilities



- **Project Owner:** ASEAN Potash Chaiyaphum Public Company Limited
- **TRC's Work Value:** USD 142 million + EUR 416 million + Baht 12,433 million or approximately Baht 34 billion
- **Scope of Works:** Mineral Processing plant, Office Building, Power Supply and Facilities Utilities
- **Project Location:** Bamnet Narong District, Chaiyaphum Province
- **Project Period:** Approximately 3 years
- **LOA Signing Date:** 10 February 2016
- **Tentative EPCC Contract Signing Date :** Within 4Q 2016

- No Potash producer in Thailand
- High Demand for Potash in the region
- Closer to Booming Market Southeast Asia – short lead-time, lower inventory cost for customers
- Low Cost Mining Methods
- Large Thickness of Carnallite at Low Depth
- Processing Technology well known and proven

Source of Potash and Demand & Supply



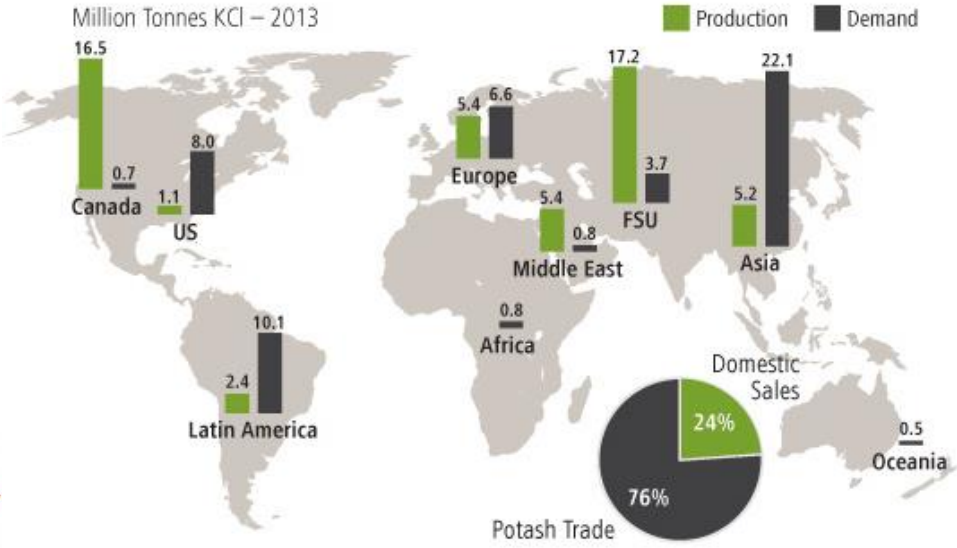
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The source of Potash around the world



Source: KURZFASSUNGEN FESTSYMPOSIUM, 60 Jahre Kaliprojektierung aus Erfurt – 20 Jahre ERCOSPLAN

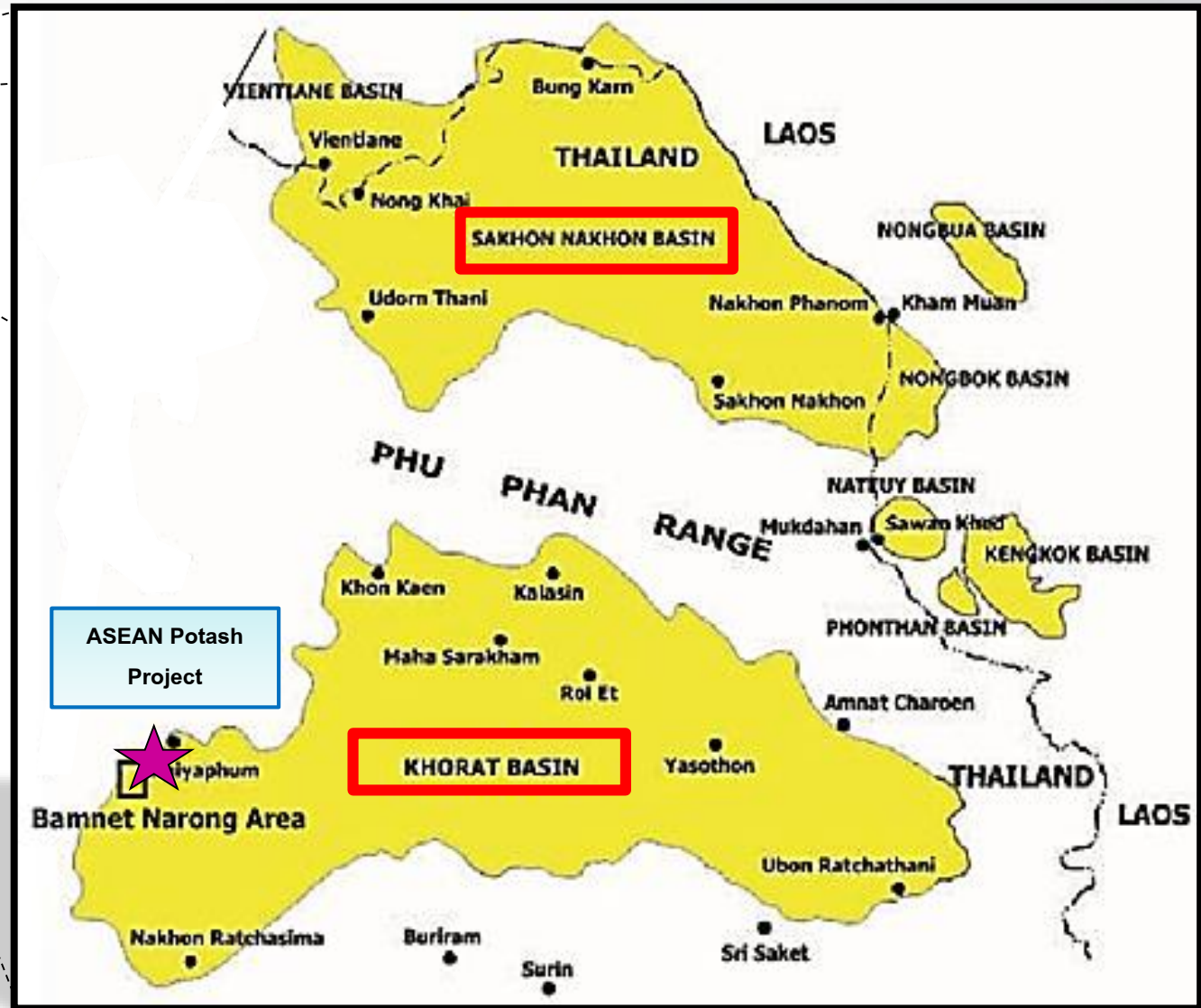
Demand & Supply of Potash in market world



Source: Fertecon PotashCorp (<http://www.activex.com.au/lake-chandler-potash.php>)



Source of Potash in Thailand



Source: Research paper of Asst. Prof. Dr. Parkorn Suwanich, Faculty of Environment and Resource Studies, Mahidol University, Bangkok (Thailand)

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Financial Highlights



TRC CONSTRUCTION PUBLIC COMPANY LIMITED

(Million Baht)	Q1 2016 (3M)		6-Month 2015		6-Month 2016		YoY (6-Month 2016 vs 2015)
	Amount	%	Amount	%	Amount	%	
Construction services income	1,104.34	100.00%	1,701.35	100.00%	1,537.59	100.00%	-9.63%
Cost of services	935.34	84.70%	1,406.61	82.68%	1,260.20	81.96%	-10.41%
Gross profit	169.00	15.30%	294.74	17.32%	277.39	18.04%	-5.89%
Other income							
Interest income	1.80	0.16%	4.34	0.25%	2.76	0.18%	-36.41%
Other income	6.36	0.57%	29.37	1.69%	11.30	0.73%	-61.53%
SG&A and finance cost	85.93	7.72%	156.54	9.02%	159.02	10.25%	1.58%
Share of loss from investments in associate	4.95	0.44%	0.00	0.00%	13.67	0.88%	N/A%
Earning before tax	86.28	7.76%	171.91	9.91%	118.76	7.65%	-30.92%
Tax	23.03	2.07%	30.58	1.76%	36.16	2.33%	18.25%
Profit	63.25	5.69%	141.33	8.15%	82.60	5.32%	-41.56%
Profit attributable to non-controlling interests of the subsidiaries	2.84	0.26%	2.68	0.15%	4.60	0.30%	71.64%
Profit attributable to equity holders of the Company	66.09	5.94%	144.01	8.30%	87.20	5.62%	-39.45%
Total revenues	1,112.50		1,735.06		1,551.65		-10.57%
Total assets	5,062.26		2,854.00		4,852.04		6.13%*
Total liabilities	2,563.29		1,317.43		2,375.81		10.44%*
Total shareholders' equity	2,498.97		1,536.57		2,476.23		2.30%*
D/E (Times)	1.03		0.86		0.96		
Gross Profit Margin	15.30%		17.32%		18.04%		23

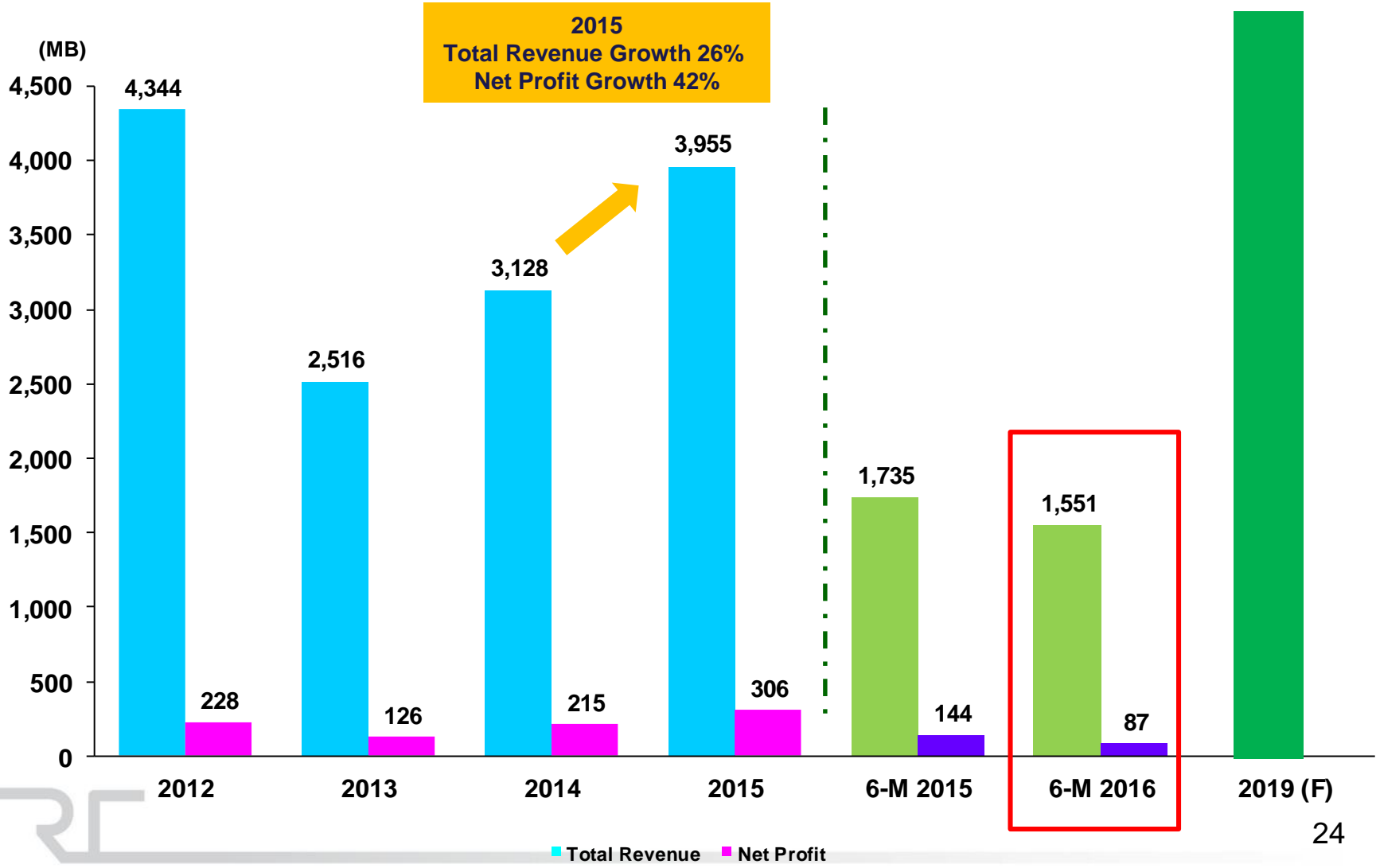
* Growth from at the end of 2015

Total Revenue & Net Profit



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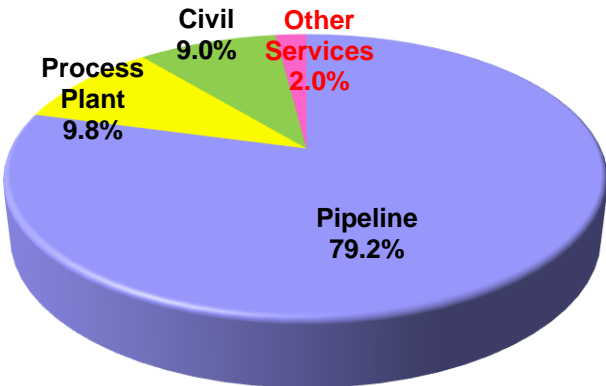
TARGET: Services Income ≥ 10,000



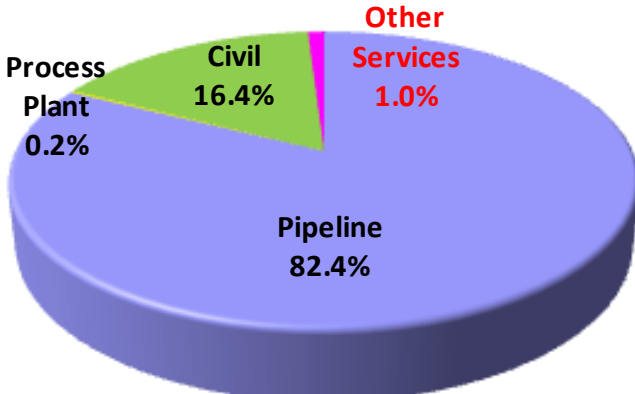
Construction Services Income Break Down



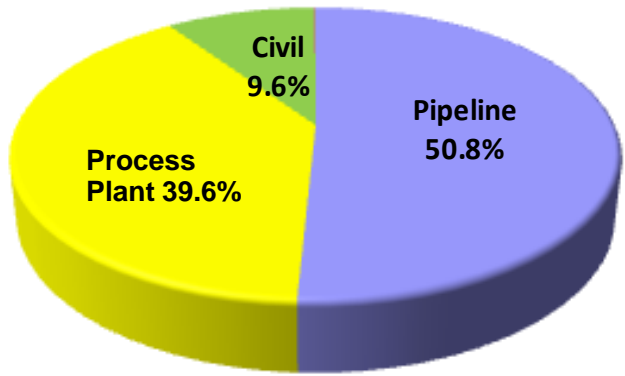
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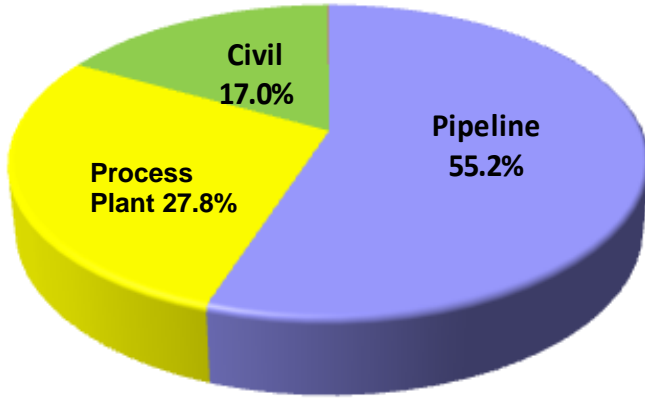
2013
(2,481 MB)



2014
(3,095 MB)



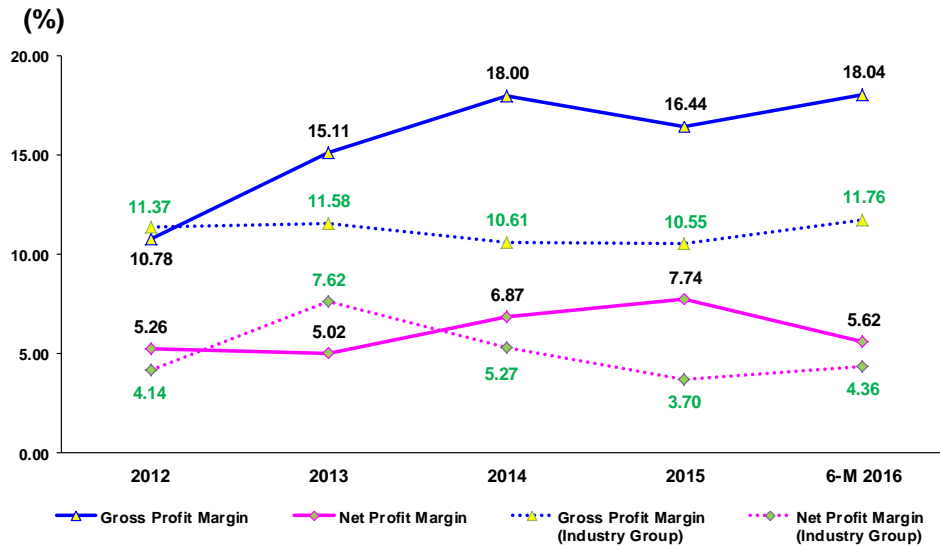
2015
(3,880 MB)



6-month 2016
(1,538 MB)

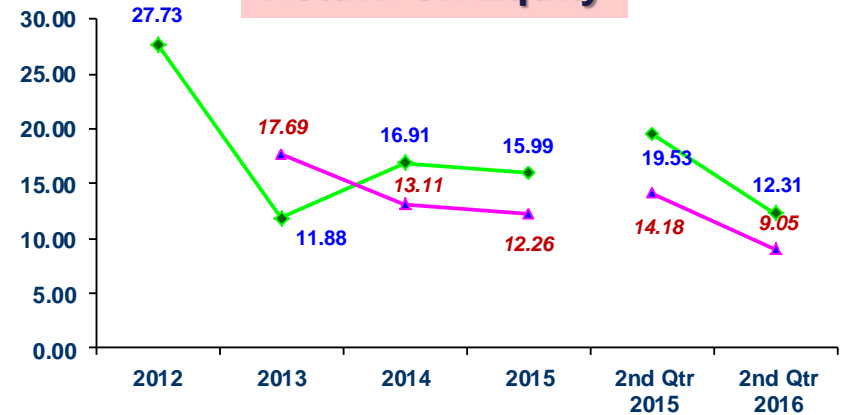


Gross Profit & Net Profit Margin

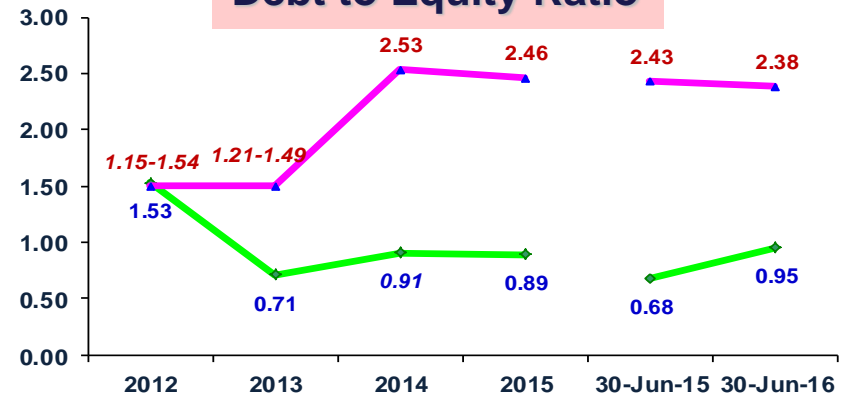


* Financial Ratio of Industry Group was from the following sector:
 2012-2013: PROPCON, CONMAT, PROP
 2014 onwards: CONS

Return on Equity



Debt to Equity Ratio



TRC and its subsidiaries
 Industry Group**

Debentures Issuance by way of Private Placement

Objective:

To raise fund for utilizing for working capital, investing and expanding future business and repayment of debt

Baht 500 Million gradual issuance

8 July 2015 : Baht 100 Million
Interest Rate: **4.68%**
Tenor: **2 Years**

10 March 2016: Baht 200 million
Interest Rate: **4.40%**
Tenor: **2 Years**

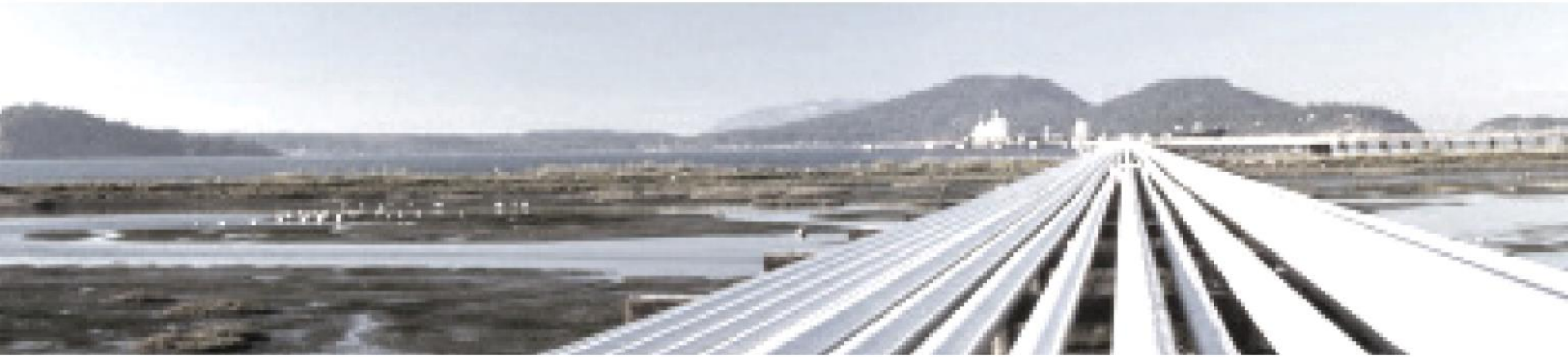
Remaining: 200 MB

Baht 2,000 Million

For Future Investment



TRC CONSTRUCTION PUBLIC COMPANY LIMITED



Q & A